

FEDERAL REGISTER

VOLUME 25

NUMBER 84

Washington, Friday, April 29, 1960

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Announcement**CFR SUPPLEMENTS**

(As of January 1, 1960)

The following Supplement is now available:

Title 50..... \$0.70

Previously announced: Title 3 (\$0.60); Titles 4-5 (\$1.00); Title 7, Parts 1-50 (\$0.45); Parts 51-52 (\$0.45); Parts 53-209 (\$0.40); Title 8 (\$0.40); Title 9 (\$0.35); Titles 10-13 (\$0.50); Title 18 (\$0.55); Title 20 (\$1.25); Titles 22-23 (\$0.45); Title 25 (\$0.45); Title 26 (1939), Parts 1-79 (\$0.40); Parts 80-169 (\$0.35); Parts 170-182 (\$0.35); Parts 300 to End (\$0.40); Title 26, Part 1 (\$1.01-1.499) (\$1.75); Parts 1 (\$1.500 to End)-19 (\$2.25); Parts 20-169 (\$1.75); Parts 170-221 (\$2.25); Part 300 to End (\$1.25); Titles 28-29 (\$1.75); Titles 30-31 (\$0.50); Title 32, Parts 700-799 (\$1.00); Parts 800-999, Revised (\$3.75); Part 1100 to End (\$0.60); Title 33 (\$1.75); Title 36, Revised (\$3.00); Title 38 (\$1.00); Title 43 (\$1.00); Title 46, Parts 1-145 (\$1.00); Parts 146-149, Revised (\$6.00); Part 150 to End (\$0.65); Title 47, Parts 1-29 (\$1.00); Part 30 to End (\$0.30); Title 49, Parts 1-70 (\$1.75); Parts 91-164 (\$0.45); Part 165 to End (\$1.00).

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FEDERAL REGISTER

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Rules and Regulations

Title 7—AGRICULTURE

Chapter II—Agricultural Marketing Service (School Lunch Program), Department of Agriculture

PART 210—NATIONAL SCHOOL LUNCH PROGRAM

Appendix—Second Apportionment of Food Assistance Funds Pursuant to National School Lunch Act, as Amended, Fiscal Year 1960

The funds available for purposes of the National School Lunch Act (42 U.S.C. 1751-1760) for food assistance for the fiscal year ending June 30, 1960, are re-apportioned as follows in order to effect a further apportionment of supplemental funds pursuant to section 4 of the Act.

| State | Total | State agency | With-held for private schools |
|---------------------------|-------------|--------------|-------------------------------|
| Alabama..... | \$2,769,160 | \$2,680,517 | \$88,643 |
| Alaska..... | 71,046 | 71,046 | ----- |
| Arizona..... | 681,442 | 618,753 | 62,689 |
| Arkansas..... | 1,745,156 | 1,707,660 | 37,496 |
| California..... | 5,174,112 | 5,174,112 | ----- |
| Colorado..... | 847,454 | 770,252 | 77,202 |
| Connecticut..... | 739,028 | 739,028 | ----- |
| Delaware..... | 128,130 | 122,981 | 5,149 |
| District of Columbia..... | 243,902 | 243,902 | ----- |
| Florida..... | 2,148,943 | 2,024,585 | 124,358 |
| Georgia..... | 2,993,541 | 2,993,541 | ----- |
| Guam..... | 28,886 | 16,270 | 12,616 |
| Hawaii..... | 355,299 | 291,906 | 63,393 |
| Idaho..... | 448,818 | 430,310 | 18,508 |
| Illinois..... | 3,687,869 | 3,687,869 | ----- |
| Indiana..... | 2,259,559 | 2,259,559 | ----- |
| Iowa..... | 1,533,699 | 1,344,293 | 189,406 |
| Kansas..... | 1,150,072 | 1,150,072 | ----- |
| Kentucky..... | 2,468,855 | 2,468,855 | ----- |
| Louisiana..... | 2,214,304 | 2,214,304 | ----- |
| Maine..... | 567,057 | 480,466 | 86,591 |
| Maryland..... | 1,285,554 | 1,122,107 | 163,447 |
| Massachusetts..... | 1,852,689 | 1,852,689 | ----- |
| Michigan..... | 3,675,725 | 3,128,890 | 546,835 |
| Minnesota..... | 1,837,811 | 1,527,198 | 310,613 |
| Mississippi..... | 2,697,071 | 2,697,071 | ----- |
| Missouri..... | 2,038,111 | 2,038,111 | ----- |
| Montana..... | 374,698 | 333,529 | 41,169 |
| Nebraska..... | 769,923 | 662,351 | 107,572 |
| Nevada..... | 102,346 | 96,118 | 6,228 |
| New Hampshire..... | 295,239 | 295,239 | ----- |
| New Jersey..... | 2,019,885 | 1,589,534 | 430,351 |
| New Mexico..... | 584,407 | 584,407 | ----- |
| New York..... | 5,513,178 | 5,513,178 | ----- |
| North Carolina..... | 3,846,672 | 3,846,672 | ----- |
| North Dakota..... | 498,021 | 443,177 | 54,844 |
| Ohio..... | 4,003,748 | 3,385,981 | 617,767 |
| Oklahoma..... | 1,428,750 | 1,428,750 | ----- |
| Oregon..... | 912,486 | 912,486 | ----- |
| Pennsylvania..... | 4,905,528 | 3,871,258 | 1,034,270 |
| Puerto Rico..... | 3,261,764 | 3,261,764 | ----- |
| Rhode Island..... | 384,623 | 384,623 | ----- |
| South Carolina..... | 2,447,680 | 2,410,402 | 37,278 |
| South Dakota..... | 477,841 | 477,841 | ----- |
| Tennessee..... | 2,699,928 | 2,610,028 | 89,900 |
| Texas..... | 5,482,548 | 5,158,068 | 324,480 |
| Utah..... | 578,594 | 569,734 | 8,860 |
| Vermont..... | 228,582 | 228,582 | ----- |
| Virginia..... | 2,409,886 | 2,409,326 | 560 |
| Virgin Islands..... | 42,644 | 42,644 | ----- |
| Washington..... | 1,279,768 | 1,188,993 | 90,775 |
| West Virginia..... | 1,436,815 | 1,394,875 | 41,940 |
| Wisconsin..... | 2,017,481 | 1,548,360 | 469,121 |
| Wyoming..... | 168,072 | 168,072 | ----- |
| Total..... | 93,814,400 | 88,552,369 | 5,262,031 |

(Secs. 2-11, 60 Stat. 230-233, as amended; 42 U.S.C. 1751-1760)

Dated: April 26, 1960.

ROY W. LENNARTSON,
Deputy Administrator.

[F.R. Doc. 60-3861; Filed, Apr. 28, 1960; 8:46 a.m.]

Chapter III—Agricultural Research Service, Department of Agriculture

PART 319—FOREIGN QUARANTINE NOTICES

Subpart—Fruits and Vegetables

AMENDMENT OF ADMINISTRATIVE INSTRUCTIONS

Pursuant to § 319.56-2 of the regulations supplemental to the Fruit and Vegetable Quarantine (7 CFR 319.56-2) under sections 5 and 9 of the Plant Quarantine Act of 1912, as amended (7 U.S.C. 159, 162), § 319.56a(a)(3) of administrative instructions now appearing as 7 CFR 319.56a(a)(3) is hereby amended to read as follows:

§ 319.56a Administrative instructions and interpretation relating to entry into Guam of fruits and vegetables under § 319.56.

(a) * * *

(3) Stone and pome fruits, citrus fruits, bananas, grapes, celery, lettuce, parsley, Brassica chinensis, melons, watermelons, tomatoes, bell peppers, carrots, string beans, potatoes, and sweetpotatoes from Japan and Korea.

(Sec. 9, 37 Stat. 318; 7 U.S.C. 162. Interprets or applies sec. 5, 37 Stat. 316; 7 U.S.C. 159)

This amendment shall become effective April 29th 1960.

The amendment allows the importation into Guam from Japan and Korea of bananas, parsley, Brassica chinensis, carrots, string beans, and sweetpotatoes. These fruits and vegetables were previously prohibited entry into Guam from these two countries. The amendment is therefore a lessening of restrictions.

In order to be of maximum benefit to importers in Guam, it should be made effective as soon as possible. Therefore, pursuant to section 4 of the Administrative Procedure Act (5 U.S.C. 1003), it is found upon good cause that notice and other public procedure with respect to the amendment are impracticable and unnecessary, and the amendment may be made effective less than 30 days after publication in the FEDERAL REGISTER.

Done at Washington, D.C., this 25th day of April 1960.

[SEAL]

E. P. REAGAN,
Director,

Plant Quarantine Division.

[F.R. Doc. 60-3894; Filed, Apr. 28, 1960; 8:49 a.m.]

PART 354—OVERTIME SERVICES RELATING TO IMPORTS AND EXPORTS

Commuted Travel Time Allowances

Pursuant to the authority conferred upon the Director of the Plant Quarantine Division by § 354.1 of the regulations concerning overtime services relating to imports and exports, effective June 29,

1958 (7 CFR 354.1), administrative instructions (7 CFR 354.2) as republished December 29, 1959 (24 F.R. 10834), as amended effective January 16, 1960 and March 19, 1960 (25 F.R. 375, 2353), prescribing the commuted travel time that shall be included in each period of overtime duty are hereby further amended by adding "Duluth, Minn." to the "One Hour" list therein; by adding "Milwaukee, Wis." and "Racine, Wis. (served from Milwaukee, Wis.)" to the "Two Hour" list therein; and by adding "Ashland, Wis. (served from Duluth, Minn.)", "Green Bay, Wis. (served from Milwaukee, Wis.)", "Kenosha, Wis. (served from Milwaukee, Wis.)", "Marinette, Wis. (served from Milwaukee, Wis.)", "Sheboygan, Wis. (served from Milwaukee, Wis.)" and "Any undesignated Wisconsin port served from either Duluth, Minn., or Milwaukee, Wis." to the "Three Hour" list therein.

This commuted travel time period has been established as nearly as may be practicable to cover the time necessarily spent in reporting to and returning from the place at which the employee performs such overtime duty when such travel is performed solely on account of such overtime duty. Such establishment depends upon facts within the knowledge of the Plant Quarantine Division. It is to the benefit of the public that these instructions be made effective at the earliest practicable date. Accordingly, pursuant to the provisions of section 4 of the Administrative Procedure Act (5 U.S.C. 1003), it is found upon good cause that notice and public procedure on these instructions are impracticable, unnecessary, and contrary to the public interest, and good cause is found for making these instructions effective less than thirty days after publication in the FEDERAL REGISTER.

(64 Stat. 561; 5 U.S.C. 576)

This amendment shall become effective April 29, 1960.

Done at Washington, D.C., this 25th day of April 1960.

[SEAL]

E. P. REAGAN,
Director,

Plant Quarantine Division.

[F.R. Doc. 60-3895; Filed, Apr. 28, 1960; 8:50 a.m.]

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

[Grapefruit Reg. 324]

PART 933—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Limitation of Shipments

§ 933.1012 Grapefruit Regulation 324.

(a) Findings. (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part

933), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of grapefruit, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (5 U.S.C. 1001-1011) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. Shipments of all grapefruit, grown in the production area, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on April 26, 1960, such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such grapefruit; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of grapefruit, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, standard pack, and standard box, as used herein, shall have the same meaning as is given to the respective term in the United States Standards for Florida Grapefruit (§§ 51.750 to 51.790 of this title); and the term "mature" shall have the same meaning as set forth in section 601.16 Florida Statutes, Chapters 26492 and

28090, known as the Florida Citrus Code of 1949, as supplemented by section 601.17 (Chapters 25149 and 28090) and also by section 601.18, as amended June 22, 1955 (Chapter 29760).

(2) Grapefruit Regulation 323 (§ 933.1010; 25 F.R. 2755) is hereby terminated effective at 12:01 a.m., e.s.t., April 29, 1960.

(3) During the period beginning at 12:01 a.m., e.s.t., April 29, 1960, and ending at 12:01 a.m., e.s.t., May 30, 1960, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico:

(i) Any grapefruit, grown in the production area, which are not mature and do not grade at least U.S. No. 2 Russet;

(ii) Any seeded grapefruit, grown in the production area, which are smaller than $3\frac{1}{16}$ inches in diameter, measured midway at a right angle to a straight line running from the stem to the blossom end of the fruit, except that a tolerance of 10 percent, by count, of seeded grapefruit smaller than such minimum size shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances, specified in said United States Standards for Florida Grapefruit; or

(iii) Any seedless grapefruit, grown in the production area, which are smaller than $3\frac{1}{16}$ inches in diameter, measured midway at a right angle to a straight line running from the stem to the blossom end of the fruit, except that a tolerance of 10 percent, by count, of seedless grapefruit smaller than such minimum size shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances, specified in said United States Standards for Florida Grapefruit.

(Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674)

Dated: April 27, 1960.

S. R. SMITH,
*Director, Fruit and Vegetable
Division, Agricultural Mar-
keting Service.*

[F.R. Doc. 60-3919; Filed, Apr. 28, 1960;
8:51 a.m.]

Title 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T.D. 55114]

PART 22—DRAWBACK

Rejected Merchandise

Rejected merchandise, Customs regulations amended; §§ 22.32 (a) and (b), 22.33 (a) and 22.35 of the Customs regulations relating to the allowance of drawback on the exportation of rejected merchandise, amended.

Applications are sometimes submitted by the drawback entrant in the case of rejected merchandise for permission to return the merchandise to customs custody at a port other than the port where the merchandise was originally entered.

It is the purpose of this amendment to provide regulations for such procedure.

Accordingly, the Customs regulations are hereby amended as follows:

1. Section 22.32(a) is amended by inserting after the word "entered" in the first sentence the following words "or any other port" so that the paragraph will read as follows:

(a) An importer of merchandise claimed not to conform to sample or specifications or to have been shipped to him without his consent, who desires to export such merchandise with benefit of drawback, shall file with the collector of customs at the port where the merchandise was entered or at any other port a drawback entry in duplicate on customs Form 7539, stating the quantity and description of the merchandise and identifying it with the import entry. The drawback entry shall also specify the place where the merchandise is to be deposited in customs custody. If the collector is of the opinion that the place specified is not suitable for the proper examination of the merchandise and any necessary repacking, he shall require the merchandise to be delivered to a suitable place at the expense of the applicant.

2. Section 22.32(b) is amended by inserting at the end thereof the following new sentence: "If the merchandise is returned to customs custody at a port other than at the port at which it was originally entered, and the drawback entry is to be filed at such other port, the collector of customs at that port shall request the collector of customs at the port where the merchandise was originally entered to furnish the date on which the merchandise was released from customs custody, a certified copy of the invoice, and a certificate of importation."

3. Section 22.33(a) is amended by inserting after the third sentence the following new sentence: "Applications for extension of time shall be filed with, and acted upon by, the collector of customs at the port where the drawback entry will be filed."

so that the paragraph will read as follows:

(a) Upon receipt of the drawback entry, the collector shall assign a number thereto, by appropriate notation on all copies, approve the place of deposit of the merchandise specified by the person making the entry or designate another place if that one is not deemed suitable, and return the original to the entrant for presentation with the merchandise to the customs officer at the place of deposit. The merchandise shall be delivered into customs custody at such place within 90 days after the date on which it was originally released from customs custody unless, either before or after the return of the merchandise, a longer time is specially authorized by the Bureau, or by the collector under the authority of this paragraph. The collector, upon written application, may extend the period in those cases where he is satisfied that the importer has been or will be prevented by circumstances

[SEAL] **RALPH KELLY,**
Commissioner of Customs.
Approved: April 22, 1960.

A. GILMORE FLUES,
Acting Secretary of the Treasury.
[F.R. Doc. 60-3885; Filed, Apr. 28, 1960; 8:48 a.m.]

Title 15—COMMERCE AND FOREIGN TRADE

Chapter III—Bureau of Foreign Commerce, Department of Commerce

SUBCHAPTER B—EXPORT REGULATIONS

[9th General Rev. of Export Regs.; Amdt. P.L. 24.]

PART 399—POSITIVE LIST OF COMMODITIES AND RELATED MATTERS

Additions and Substitutions

Section 399.1 *Appendix A—Positive List of Commodities* is amended in the following particulars:

1. The following commodities are added to the Positive List:

beyond his control from returning the merchandise within the 90-day period, and that the importer proposes to return, or has returned, the merchandise within a reasonable time. Applications for extension of time shall be filed with, and acted upon by, the collector of customs at the port where the drawback entry will be filed. If the merchandise is to be exported otherwise than by mail, one copy of the entry shall be returned to the entrant, for resubmission to the collector in accordance with paragraph (e) of this section. A receipt showing the fact and date of such delivery shall be furnished to the applicant if he requests it. If the report of the receiving officer shows that the merchandise was not returned to customs custody within the time required by law, the drawback shall be denied.

4. Section 22.35 permits the collector to waive certain proof in claims for drawback of duties on rejected merchandise where the amount of duty is less than \$25. In the interest of expeditious handling of small claims, it has been determined that this amount may be increased to \$50 without danger to the revenue. Accordingly, § 22.35 is hereby amended by substituting "\$50" for "\$25" wherever it appears therein.

| Dept. of Commerce Schedule B No. | Commodity description | Unit | Processing code and related commodity group | GLV dollar value limits | Validated license required | Commodity lists |
|----------------------------------|--|------|---|-------------------------|----------------------------|-----------------|
| 74463 | Bending machines and roll forming machines (except presses and wire working machines). Roll forming machines with motors of over 25 horsepower capacity, as follows: (a) rotary, cylindrical multiple roll forming machines other than sheet and plate bending rolls; (b) rotary cold forming machines (Hydrosin and Appel types); and (c) extrusion machines, roll type. [Report hot tube mills in 74480.] Forging presses: Forging machines and hammers, except hydraulic forging machines and hammers, as follows: (a) sickle mill type forging machines having motors of over 25 horsepower capacity; (b) rotary impact forging hammers of rated sizes of 10,000 foot-pounds or more; and (c) automated impact forging hammers of rated sizes of 10,000 foot pounds or more. Metalworking machines, n.e.c., and specially fabricated parts and accessories, n.e.c.: Roll tool-forming machines, horizontal and vertical (flo-turn types), with drive motors of over 25 horsepower. Industrial chemicals, n.e.c.: [Hafnium salts and compounds. (Specify by name.)] | No. | TOOL 3 | 500 | RO | A |
| 74466 | | No. | TOOL 3 | 500 | RO | A |
| 74601 | | No. | TOOL 9 | 500 | RO | A |
| 83990 | | Lb. | SALT 2 | None | RO | ----- |

1 On or after May 16, 1960, an Import Certificate (or a Hong Kong Import License) will be required in support of a license application covering exports of this commodity to the countries specified in § 373.2 of this chapter.

2 This amendment was published in Current Export Bulletin 831, dated Apr. 1, 1960.

This item of the amendment shall become effective April 8, 1960, except as otherwise specified in the footnote.

2. The following entries set forth below are substituted for entries presently on the Positive List. Where the Positive List contains more than one entry under a Schedule B number, the entry to be superseded is identified by a numerical reference in parentheses following the commodity description in the revised entry:

| Dept. of Com- merce Schedule B No. | Commodity description | Unit | Processing code and related commodity group | GLV dollar value limits | Val- dated license re- quired | Com- modity lists |
|--|---|--------|---|----------------------------------|---|-------------------------|
| 70867 | Electronic equipment, n.e.c., and parts: Electronic detection and navigational apparatus, n.e.c., and specially fabricated parts and ac- cessories, n.e.c. [Report spare and replacement tubes in 70824-70840]: Ground and marine radar equipment as follows, and specially fabricated parts and accessories therefor: (a) incorporating permanent echo cancellation facilities and/or aerials with cir- cular polarization; (b) utilizing other than con- ventional pulse modulation and signal process- ing techniques; and (c) other radar equipment, except those normal equipments designed for pulse operation at frequencies between 1,300 megacycles and 1,650 megacycles, 2,700 mega- cycles and 3,900 megacycles, or 8,500 megacycles and 10,000 megacycles, having, in the case of marine radar, a peak output power to the aerial system 75 kilowatts or less or, in the case of ground-based radar, having a peak output power to the aerial system less than 50 kilowatts and a range less than 50 nautical miles. (8) 11 Parts and accessories, n.e.c., specially fabricated for metal-forming machine tools, n.e.c.: Parts and accessories, n.e.c., specially fabricated for other metal-forming machine tools included on the Positive List under Schedule B Nos. 74459 through 74466 which are subject to the IC/DV pro- cedure. (Specially rated capacity of presses, for- ging machines and hammers, or horsepower of spin- forming machines on which parts and accessories will be used.) (2) 14 Metalworking machines, n.e.c., and specially fabri- cated parts and accessories, n.e.c.: Spin-forming machines, n.e.c., with drive motors of over 25 horsepower. (9) 11 Spin-forming machines, n.e.c., with drive motors of 15 up to and including 25 horsepower. (10) 11 Parts and accessories, n.e.c., specially fabricated for spin-forming machines with drive motors 15 up to and including 25 horsepower. (11) 11 Parts and accessories, n.e.c., specially fabricated for other metalworking machines included on the Positive List under Schedule B No. 74601. (12) 11 Pipe assemblies made of, lined with, or covered with polytetrafluoroethylene (e.g., Teflon) or polytrifluorochloroethylene. (1) 11 Cellulose plastics in all unfinished or semifinished forms: Cellulose acetate film suitable for dielectric use, 0.0015 inch (0.038 mm.) or less in thickness. 11 | RARA 1 | 100 | RO | A | |
| 74468 | | | TOOL 3 | 500 | RO | A |
| 74601 | | No. | TOOL 9 | 500 | RO | A |
| 74601 | | No. | TOOL 10 | 500 | R | ----- |
| 74601 | | | TOOL 10 | 500 | R | ----- |
| 74601 | | | TOOL 9 | 500 | RO | A |
| 77516 | | Lb. | CONS | 500 | RO | A |
| 82670 | | Lb. | RESN 2 | 25 | RO | E |

1 The processing code is changed or related commodity group number is changed (see § 372.5(f) of this chapter).
2 The symbol "A" is deleted in the column headed "Commodity Lists," indicating that the commodity is no longer subject to the IC/DV procedure (see § 373.2 of this chapter).

3 The commodity coverage is decreased.
4 The commodity coverage is increased, effective Apr. 8, 1960.
5 Effective Apr. 8, 1960, parts and accessories specially fabricated for roll forming machines, forging machines and hammers added to the Positive List by this amendment (Schedule B Nos. 74463 and 74466) are included in this entry. On or after May 16, 1960, an Import Certificate (or a Hong Kong Import License) will be required in support of a license application covering exports of these added parts and accessories to the countries specified in § 373.2 of this chapter.
6 Effective Apr. 8, 1960, parts and accessories specially fabricated for spin-forming machines with drive motors 15 up to and including 25 horsepower added to the Positive List by this amendment (Schedule B No. 74601) are included in this entry.

7 Effective Apr. 8, 1960, parts and accessories specially fabricated for spin-forming and roll-forming machines with drive motors of over 25 horsepower added to the Positive List by this amendment (Schedule B No. 74601) are included in this entry. On or after May 16, 1960, an Import Certificate (or a Hong Kong Import License) will be required in support of a license application covering exports of these added parts and accessories to the countries specified in § 373.2 of this chapter.

This item of the amendment shall become effective as of April 1, 1960, except as otherwise indicated in the footnotes.

Shipments of any commodities removed from general license to Country Group R or Country Group O destinations as a result of changes set forth in this amendment which were on dock for lading, on lighter, laden aboard an exporting carrier, or in transit to a port of exit pursuant to actual orders for export prior to 12:01 a.m., April 8, 1960, may be exported under the previous general license provisions up to and including May 2, 1960. Any such shipment not laden aboard the exporting carrier on or before May 2, 1960, requires a validated license for export.

(Sec. 3, 63 Stat. 7; 50 U.S.C. App. 2023. E.O. 9630, 10 F.R. 12245, 3 CFR, 1945 Supp., E.O. 9919, 13 F.R. 59, 3 CFR, 1948 Supp.)

LORING K. MACY,
Director,
Bureau of Foreign Commerce.
[F.R. Doc. 60-3781; Filed, Apr. 28, 1960; 8:45 a.m.]

[19th General Rev. of Export Regs.: Amdt. P.L. 25¹]

PART 399—POSITIVE LIST OF COMMODITIES AND RELATED MATTERS

Additions and Substitutions

Section 399.1 *Appendix A—Positive List of Commodities* is amended in the following particulars:

1. The following commodities are added to the Positive List:

| Dept. of Commerce Schedule B No. | Commodity description | Unit | Processing code and related commodity group | GLV dollar value limits | Validated license required | Commodity lists |
|----------------------------------|---|------|---|-------------------------|----------------------------|-----------------|
| 48600 | Polytetrafluoroethylene tape, pressure sensitive (e.g., Teflon). ¹ | Lb. | RESN 3 | 25 | RO | A |
| 66431 | Alloy steel metal in semifabricated forms, n.e.c., containing 6 percent or more cobalt, except (a) permanent magnetic metals with a cobalt content of 25 percent or less, and (b) high speed tool steels containing less than 10 percent cobalt, less than 5 percent chromium, and no nickel. (Specify by name.) ¹ | Lb. | STEE 3 | 100 | RO | A |

¹ On or after May 23, 1960, an Import Certificate (or a Hong Kong Import License) will be required in support of a license application covering exports of this commodity to the countries specified in § 373.2 of this chapter.

This item of the amendment shall become effective as of April 14, 1960, except as otherwise indicated in the footnote.

2. The following entries set forth below are substituted for entries presently on the Positive List. Where the Positive List contains more than one entry under a Schedule B number, the entry to be superseded is identified by a numerical reference in parentheses following the commodity description in the revised entry:

| Dept. of Commerce Schedule B No. | Commodity description | Unit | Processing code and related commodity group | GLV dollar value limits | Validated license required | Commodity lists |
|----------------------------------|--|------|---|-------------------------|----------------------------|-----------------|
| 66429 | Alloy steel scrap of magnetic materials containing more than 25 percent cobalt by weight. (See § 399.2, Interpretations 10 and 12.) (7) ¹ | Lb. | STEE 3 | 100 | RO | A |
| 66429 | Other alloy steel scrap containing 5 percent or more cobalt by weight. (See § 399.2, Interpretations 10 and 12.) (7) ¹ | Lb. | STEE 2 | 100 | RO | ----- |

See footnotes at end of table.

¹ This amendment was published in Current Export Bulletin 832, dated Apr. 7, 1960.

| Dept. of Commerce Schedule B No. | Commodity description | Unit | Processing code and related commodity group | GLV dollar value limits | Validated license required | Commodity lists |
|----------------------------------|--|-------|---|-------------------------|----------------------------|-----------------|
| 70786 | Electronic equipment, n.e.c., and parts: Shipborne transmitters and transceivers (transmitter-receivers) having any of the following characteristics, and specially fabricated parts and accessories therefor: (a) designed to operate at output carrier frequency between 108 and 156 megacycles, or greater than 223 megacycles; (b) designed to provide any of the following features: (1) any system of pulse modulation (this does not include television), (2) rated for operation over a range of ambient temperatures from below minus 40° C. to above plus 55° C., or (3) facilities providing a multiplicity of alternative output carrier frequencies controlled by a lesser number of piezo-electric crystals and not forming multiples of a common control frequency. ¹ (3) (1) (2) (3) (4) Other shipborne transmitters and transceivers (transmitter-receivers) having more than 20 channels, and specially fabricated parts and accessories, n.e.c. ¹ (1) (2) (3) (4) | ----- | RARA 1 | 100 | RO | A |
| 70786 | Land-type radio transmitters and transceivers, (transmitter-receivers) having any of the following characteristics, and specially fabricated parts and accessories therefor: (a) designed to operate at output carrier frequency between 108 and 156 megacycles, or greater than 223 megacycles; (b) designed to provide any of the following features: (1) any system of pulse modulation (this does not include television), (2) rated for operation over a range of ambient temperatures from below minus 40° C. to above plus 55° C., or (3) facilities providing a multiplicity of alternative output carrier frequencies controlled by a lesser number of piezo-electric crystals and not forming multiples of a common control frequency. ¹ (3) (1) (2) (3) (4) | ----- | RARA 2 | 100 | RO | A |
| 70789 | Land-type radio transmitters and transceivers, (transmitter-receivers) having any of the following characteristics, and specially fabricated parts and accessories therefor: (a) designed to operate at output carrier frequency between 108 and 156 megacycles, or greater than 223 megacycles; (b) designed to provide any of the following features: (1) any system of pulse modulation (this does not include television), (2) rated for operation over a range of ambient temperatures from below minus 40° C. to above plus 55° C., or (3) facilities providing a multiplicity of alternative output carrier frequencies controlled by a lesser number of piezo-electric crystals and not forming multiples of a common control frequency. ¹ (3) (1) (2) (3) (4) | ----- | RARA 1 | 100 | RO | A |
| 70789 | Other land-type radio transmitters and transceivers (transmitter-receivers) having either of the following characteristics, and specially fabricated parts and accessories therefor: (a) more than 20 channels; (b) special facilities for interconnection with land line telephone circuits or switchboards. (4) ¹ (3) (1) (2) (3) (4) | ----- | RARA 2 | 100 | RO | ----- |
| 70844 | Electron tubes and parts [Report X-ray tubes in 70751]: Parts and accessories, n.e.c., specially fabricated for electron tubes included on the Positive List under Schedule B Nos. 70824 through 70840 which are subject to the IC/DV procedure. ¹ (1) (2) (3) (4) | ----- | RARA 1 | 100 | RO | A |
| 70844 | Parts and accessories, n.e.c., specially fabricated for electron tubes included on the Positive List under Schedule B Nos. 70824 through 70840 which are not subject to the IC/DV procedure. ¹ (1) (2) (3) (4) | ----- | RARA 2 | 100 | RO | ----- |
| 70848 | Crystal diodes and transistors (semiconductors, n.e.c.): Transistors and related devices having any of the following characteristics: (a) having four or more active junctions within any single block of semiconductor material; (b) designed or rated for use as a switching transistor for switching rates (repetition frequency) greater than 500 kilocycles; (c) using a bulk semiconductor material other than germanium; (d) using germanium as the bulk semiconductor material and having any of the following characteristics: (1) an average f alpha less than 50 megacycles and designed so that the product of the maximum collector dissipation (in watts) times the average f alpha (in megacycles) is greater than 7.5, (2) an average f alpha of 50 to 150 megacycles and designed to have a maximum collector dissipation greater than 150 milliwatts, or (3) an average f alpha greater than 150 megacycles. (Specify by type numbers and quantity of each type.) (3) ¹ (1) (2) (3) (4) | No. | RARA 1 | 50 | RO | A |
| 70852 | Tantalum electrolytic capacitors as follows: (a) types designed to operate at temperatures over 85° C.; (b) sintered types; and (c) foil types. (2) ¹ (1) (2) (3) (4) | No. | RARA 1 | 100 | RO | A |
| 70852 | Other tantalum electrolytic capacitors. (2) ¹ (1) (2) (3) (4) | No. | RARA 2 | 100 | RO | ----- |

| Dept. of Commerce Schedule B No. | Commodity description | Unit | Processing code and related commodity group | GLV dollar value limits | Validated license required | Commodity lists |
|----------------------------------|---|------|---|-------------------------|----------------------------|-----------------|
| 70867 | Electronic detection and navigational apparatus, n.e.c., and specially fabricated parts and accessories, n.e.c.: Ground and marine radar equipment as follows, and specially fabricated parts and accessories therefor: (a) incorporating permanent echo cancellation facilities and/or antenna systems with other than linear polarization; (b) utilizing other than conventional pulse modulation and signal processing techniques; and (c) other radar equipment, except those normal equipments designed for pulse operation at frequencies between 1,300 megacycles and 1,600 megacycles, 2,700 megacycles and 3,900 megacycles, or 8,500 megacycles and 10,000 megacycles, having, in the case of marine radar, a peak output power to the aerial system of not greater than 75 kilowatts or, in the case of ground-based radar, having a peak output power to the aerial system of not greater than 50 kilowatts and a range of not greater than 50 nautical miles. (8) ¹⁷ | | RARA 1 | 100 | RO | A |
| 70879 | Amplifiers (except audio frequency), n.e.c., and specially fabricated parts and accessories, n.e.c.: Other amplifiers designed: (a) for use in nuclear measurements, or (b) to operate at frequencies from 300 to 500 megacycles; and specially fabricated parts and accessories therefor. (1, 2, and 6) ^{13 14 10} | | RARA 2 | 100 | RO | |
| 70886 | Electronic equipment, n.e.c., and specially fabricated parts and accessories, n.e.c.: Parts and accessories, n.e.c., specially fabricated for crystal diodes and transistors included on the Positive List under Schedule B No. 70848 which are subject to the IC/DV procedure. (1) ¹⁴ | | RARA 1 | 25 | RO | A |
| 70886 | Parts and accessories, n.e.c., specially fabricated for crystal diodes and transistors included on the Positive List under Schedule B No. 70848 which are not subject to the IC/DV procedure. (1) ^{14 14} | | RARA 2 | 25 | RO | |
| 76698 | Geophysical and mineral prospecting equipment, n.e.c., and specially fabricated parts and accessories, n.e.c.: Magnetic recorders and reproducers, specially fabricated for seismographs, and specially fabricated parts and accessories, including recording media. (3) ^{14 14} | | CONS 5 | 100 | RO | A |
| 76698 | Other seismic or seismograph equipment, except observatory type (specify by name), and specially fabricated parts and accessories, n.e.c. (3) ¹⁴ | | CONS 6 | 100 | RO | |
| 76920 | Tapered, spherical, or thrust roller bearings, with inner bore diameters above 500 millimeters. (Specify type and inner bore diameters.) (See § 399.2, Interpretation 2.) (2) ¹⁸ | | GIEQ 5 | 100 | RO | A |
| 76920 | Tapered, spherical, or thrust roller bearings, specially designed for military applications and with inner bore diameters between 400 and 500 millimeters. (Specify type and inner bore diameter.) (See § 399.2, Interpretation 2.) (2) ¹⁸ | | GIEQ 5 | 100 | RO | A |
| 76920 | Other tapered, spherical, or thrust roller bearings with inner bore diameters above 400 millimeters but not above 500 millimeters. (Specify type and inner bore diameters.) (See § 399.2, Interpretation 2.) (2) ^{18 18} | | GIEQ 6 | 100 | RO | |
| | Parts and accessories, n.e.c., specially fabricated for pumps (Complete knockdown pumps should be reported in the proper pump classifications, whether the integral components are shipped simultaneously or in a series of partial shipments): | | | | | |
| 77119 | Parts and accessories, n.e.c., specially fabricated for ion vacuum pumps. (1) ¹ | | GIEQ 3 | 25 | RO | A |
| 77119 | Parts and accessories, n.e.c., specially fabricated for diffusion vacuum pumps included on the Positive List under Schedule B No. 77086. (2) ¹ | | GIEQ 10 | 25 | RO | |
| 77119 | Parts and accessories, n.e.c., specially fabricated for glandless centrifugal pumps included on the Positive List under Schedule B No. 77101. (3) ¹ | | GIEQ 10 | 25 | RO | |
| 77119 | Parts and accessories, n.e.c., specially fabricated for other pumps included on the Positive List under Schedule B Nos. 77101 through 77117 for which a validated license is required to both R and O country destinations. (4) ¹ | | CONS 9 | 25 | RO | A |

¹ The GLV dollar-value limit is increased.

² The processing code is changed or related commodity group number is changed (see § 372.5(f) of this chapter).

³ The symbol "A" is added in the column headed "Commodity Lists," indicating that an Import Certificate (or Hong Kong Import License) will be required in support of a license application covering exportation of these commodities to the countries specified in § 373.2 of this chapter, effective May 23, 1960.

⁴ The symbol "A" is added in the column headed "Commodity Lists," indicating that the commodity is no longer subject to the IC/DV procedure (see § 373.2 of this chapter).

¹⁰ The unit of quantity is changed.

¹³ The commodity coverage is increased, effective Apr. 14, 1960.

¹⁴ Two entries are substituted for an entry presently on the Positive List under this Schedule B number.

¹⁵ On or after May 23, 1960, an Import Certificate (or a Hong Kong Import License) will be required in support of a license application covering exports of the added commodities (see (b) (2) and (3) of the revised entry) to the countries specified in § 373.2 of this chapter.

¹⁶ The revision of characteristic (b) of this entry now covers some transistors and related devices which were formerly covered in the fourth entry under this Schedule B number. On or after May 23, 1960, an Import Certificate (or a Hong Kong Import License) will be required in support of a license application covering exports of these added commodities to the countries specified in § 373.2 of this chapter.

¹⁷ The description is revised with no change in coverage.

¹⁸ Three entries are substituted for an entry presently on the Positive List under this Schedule B number.

This item of the amendment shall become effective as of April 7, 1960, except as otherwise indicated in the footnotes.

Shipments of any commodities removed from general license to Country Group R or Country Group O destinations as a result of changes set forth in this amendment which were on dock for lading, on lighter, laden aboard an exporting carrier, or in transit to a port of exit pursuant to actual orders for export prior to 12:01 a.m., April 14, 1960, may be exported under the previous general license provisions up to and including May 9, 1960. Any such shipment not laden aboard the exporting carrier on or before May 9, 1960, requires a validated license for export.

(Sec. 3, 63 Stat. 7; 50 U.S.C. App. 2023. E.O. 9630, 10 F.R. 12245, 3 CFR, 1945 Supp., E.O. 9919, 13 F.R. 59, 3 CFR, 1948 Supp.)

LORING K. MACY,
Director,

Bureau of Foreign Commerce.

[F.R. Doc. 60-3782; Filed, Apr. 28, 1960; 8:45 a.m.]

Title 5—ADMINISTRATIVE PERSONNEL

Chapter II—Employment and Compensation in the Canal Zone

PART 201—GENERAL

PART 204—COMPENSATION AND ALLOWANCES

Miscellaneous Amendments

By virtue of the authority contained in the Act of July 25, 1958 and in Executive order 10794 of December 10, 1958 (23 F.R. 9627; 3 CFR 1958 Supp.) the following amendments to Parts 201 and 204, Chapter II, Title 5 of the Code of Federal Regulations are hereby prescribed, effective on publication in the FEDERAL REGISTER.

1. Section 201.100 is further amended by adding a new subparagraph (9) to paragraph (a) and a new subparagraph (3) to paragraph (b), as follows:

§ 201.100 Exclusions.

(a) The following positions, and the incumbents thereof, are excluded from all the provisions of the Act, except section 16 thereof, and the regulations in this chapter.

(9) Public Defender.

(b) The following positions, and the incumbents thereof, are excluded from the provisions of Parts 202 and 203 of the regulations in this chapter.

(3) Apprentices.

2. Section 204.14 of Subpart D—Pay Adjustments is amended to read as follows:

§ 204.14 General pay adjustments.

For positions for which the basic rate of compensation has been established in relation to rates for the same or similar work in the continental United States, rates of pay shall be adjusted by heads of departments with reference to changes in the corresponding rates in the United States. For all other positions, rates of pay shall be adjusted by heads of departments in relation to wage rates for private and Governmental employment in the Caribbean area.

§ 204.19 [Revocation]

3. Section 204.19 is revoked.

(Secs. 3, 15, 72 Stat. 405; E.O. 10794, 23 F.R. 9627; 3 CFR 1958 Supp.)

Dated: April 25, 1960.

WILBER M. BRUCKER,
Secretary of the Army.

[F.R. Doc. 60-3863; Filed, Apr. 28, 1960;
8:47 a.m.]

Title 8—ALIENS AND NATIONALITY

Chapter I—Immigration and Natural- ization Service, Department of Justice

PART 214—NONIMMIGRANT CLASSES

Transit Aliens

Reference is made to the notice of proposed rule making which was published in the *FEDERAL REGISTER* of February 20, 1960 (25 F.R. 1521), pursuant to section 4 of the Administrative Procedure Act (60 Stat. 238; 5 U.S.C. 1003) and in which there was set out in full the terms of the proposed amendment to the first sentence of subparagraph (1) of paragraph (c) of § 214.2, Chapter I, Title 8 of the Code of Federal Regulations, relating to an alien crewman being in possession of a Form I-184 permanent landing permit and identification card when he seeks to enter as a transit without a visa to join a vessel in the United States. Representations which were received concerning the proposed rule have been considered. The proposed rule has been amended to provide that when an alien crewman seeks to enter as a transit without a visa to join a vessel in the United States he be in possession of, "or makes application upon arrival for," a Form I-184 permanent landing permit and identification card; in addition the names of three countries—the Peoples Republic of China, the Peoples Democratic Republic of Korea (North Korea Regime), and the German Democratic Republic—were amended to read as follows: Communist-controlled China ("Peoples Republic of China"), North Korea ("Peoples Democratic Republic of Korea"), and The Soviet Zone of Germany ("German Democratic Republic"). The rule as set out below is adopted.

The first sentence of subparagraph (1) of paragraph (c) of § 214.2 is amended to read as follows:

§ 214.2 Special requirements for admission, extension, and maintenance of status.

(c) *Transits*—(1) *Without visas*. Any alien, except a citizen and resident of the Union of Soviet Socialist Republics, Estonia, Latvia, Lithuania, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, Albania, Communist-controlled China ("Peoples Republic of China"), North Korea ("Peoples Democratic Republic of Korea"), The Soviet Zone of Germany ("German Democratic Republic"), and North Vietnam (Viet Minh), applying for immediate and continuous transit through the United States, must establish that he is admissible; that he has confirmed and onward reservations to at least the next country beyond the United States (except that, if seeking to join a vessel or aircraft in the United States as a crewman, the vessel or aircraft will depart directly foreign, and his departure will be completed within a maximum of 5 calendar days after his arrival, and, if joining a vessel, the crewman is in possession of, or makes application upon arrival for, a Form I-184 permanent landing permit and identification card), and that he has a document establishing his ability to enter some country other than the United States.

(Sec. 103, 66 Stat. 173; 8 U.S.C. 1103)

The basis and purpose of the above-prescribed rule is to require that an alien crewman be in possession of, or apply on arrival for, a Form I-184 permanent landing permit and identification card when he seeks to enter as a transit without a visa to join a vessel in the United States.

This order shall become effective on the date of its publication in the *FEDERAL REGISTER*. Compliance with the delayed effective-date requirements of section 4(c) of the Administrative Procedure Act is unnecessary in this instance because the persons affected by the foregoing rule will not require additional time.

Dated: April 25, 1960.

J. M. SWING,
Commissioner of
Immigration and Naturalization.

[F.R. Doc. 60-3849; Filed, Apr. 28, 1960;
8:45 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter II—Civil Aeronautics Board [Dockets 11236, 11239, 11257]

PART 294—CLASSIFICATION AND EXEMPTION OF AIR CARRIERS WHILE CONDUCTING CERTAIN OPERATIONS FOR MILITARY ES- TABLISHMENT

Applications for Exemption

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 26th day of April 1960.

The Board, after extensive study of the problems arising from the bidding procedures used by the Military in the procurement of civil airlift, decided in September 1959¹ to grant the carriers engaged in such charter operations exemptions from certain restrictive provisions of Part 294 of the Board's Economic Regulations (14 CFR Part 294)² so as to enable the carriers to carry out their contracts with the Military pursuant to the general exemption contained in Part 294. The exemption was based upon the Military's then existing bidding procedures, and was designed to relieve the carriers and the Board from the administrative burden associated with the applying for and issuance of exemptions on an individual basis.

In March of this year Seaboard & Western Airlines, Inc. (Seaboard) applied for, in Docket 11201, and was granted³ an exemption from sections 403 and 404 of the Federal Aviation Act of 1958 (Act). This exemption was necessary in order to permit Seaboard to perform certain military charters pursuant to a contract with the Military which was for less than 90 days and thus did not qualify for the exemption authority contained in Part 294. Subsequently, Flying Tiger Line, Inc. (Flying Tiger), Docket 11239, Slick Airways, Inc. (Slick), Docket 11236, and Trans World Airlines, Inc. (Trans World), Docket 11257, filed applications requesting similar exemptions from sections 403 and 404.

The operations with respect to which these carriers seek exemption are pursuant to a short-term fixed-type of contract instead of the call-type contract. The essential difference between the two contracts is that the call-type of contract was for at least 90 days, while the short-term fixed contract is for less than 60 days.

The Board has reviewed the applications of the aforementioned carriers and concludes that, for the reasons set forth in Order E-14484,⁴ the carriers should be granted the necessary exemption authority in order to conduct charter operations for the Military pursuant to short-term fixed contracts. In order to avoid the necessity for individual processing of similar exemptions in the future, we will, consistent with the procedures followed in Order E-14484, grant air carriers engaged in military charter operations an exemption from § 294.1(b) (3) of Part 294, thereby relieving them from complying with the requirement

¹ Order No. E-14484, September 25, 1959.

² Part 294 grants air carriers engaged in military charter operations an exemption from sections 401, 403, 404, and 405 of the Federal Aviation Act of 1958 providing such carriers meet certain requirements. The principal requirements are that the charter agreement provide: (1) At least 24 one-way schedules to or from the same point per 30-day period, (2) a definite schedule pattern, and (3) the duration of the contract be for not less than 90 days and not more than one year. Order E-14484 granted air carriers an exemption from (1) and (2) above.

³ Order E-15037, March 24, 1960.

⁴ The entire subject of military exemptions as authorized in Order E-14484 will shortly be reviewed by the Board.

that such contracts be of at least 90 days duration and not more than one year.

Accordingly, we conclude that the enforcement of the provisions now contained in § 294.1(b) (3) of Part 294 of the Board's Economic Regulations places an undue burden on the air carriers by reason of the limited extent of and unusual circumstances affecting the operations of such air carriers and is not in the public interest.

Therefore, pursuant to sections 204(a) and 416(b) of the Federal Aviation Act of 1958: *It is ordered, That:*

1. Air carriers who otherwise meet the requirements of Part 294 of the Board's Economic Regulations (14 CFR Part 294) are hereby exempt from the date of this order through September 30, 1960, from the provisions contained in § 294.1(b) (3) thereof.

2. The applications for exemption filed by Slick Airways, Inc., Docket 11236, Flying Tiger Line, Inc., Docket 11239, and Trans World Airlines, Inc., Docket 11257, are denied except to the extent granted herein.

By the Civil Aeronautics Board.

[SEAL] MABEL MCCART,
Acting Secretary.

[F.R. Doc. 60-3879; Filed, Apr. 28, 1960;
8:47 a.m.]

Chapter III—Federal Aviation Agency

SUBCHAPTER E—AIR NAVIGATION REGULATIONS

[Airspace Docket No. 59-WA-96]

PART 600—DESIGNATION OF FEDERAL AIRWAYS

Modification

On February 2, 1960, a notice of proposed rule making was published in the FEDERAL REGISTER (25 F.R. 879) stating that the Federal Aviation Agency proposed to modify VOR Federal airway No. 1 between Salisbury, Md., and Coyle, N.J., via a new VOR to be installed near Waterloo, Del.

The Department of the Air Force objected to the modification of Victor 1, however, this objection was subsequently withdrawn. The Air Transport Association concurred in the proposal, and the Air Line Pilots Association registered no objection to the proposal.

No other adverse comments were received regarding the proposed amendment.

Interested persons have been afforded an opportunity to participate in the making of the rule herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendment having been published, therefore, pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) and for the reasons stated in the notice, § 600.6001 (24 F.R. 10503) is amended as follows:

In the text of § 600.6001 *VOR Federal airway No. 1 (Jacksonville, Fla., to New York, N.Y.)*, delete "Salisbury, Md., VOR; point of INT of the Woodstown,

N.J., VOR 154° and the Coyle VOR 203° radials; Coyle, N.J., VOR; Idlewild, N.Y., VOR; INT of the Idlewild VOR 359° and the Wilton VOR 214° radials; to the Wilton, Conn., VOR. Those portions of this airway between the point of INT of the Coyle, N.J., VOR 203° and the Woodstown, N.J., VOR 106° radials and the point of INT of the Colts Neck, N.J., VOR 073° and the Coyle, N.J., VOR 031° radials lying more than 3-miles either side of the centerline are excluded. The portions of this airway which lie within the geographic limits of, and between the designated altitudes of, the Patuxent Restricted Area (R-43) and the Warren Grove Restricted Area (R-26) are excluded during the times of designation of these restricted areas." and substitute therefor "Salisbury, Md., VOR; Waterloo, Del., VOR; INT of the Waterloo VOR 022° True and the Coyle VOR 235° True radials; Coyle, N.J., VOR; Idlewild, N.Y., VORTAC; INT of the Idlewild VORTAC 359° True and the Wilton VOR 214° True radials; to the Wilton, Conn., VOR. The portion of this airway which lies within the geographic limits of, and between the designated altitudes of, the Patuxent Restricted Area (R-43) and the Fort Dix, N.J., Restricted Area (R-25), are excluded during the times of designation of these restricted areas."

This amendment shall become effective 0001, e.s.t., October 20, 1960.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on April 22, 1960.

GEORGE S. CASSADY,
Acting Director, Bureau of
Air Traffic Management.

[F.R. Doc. 60-3851; Filed, Apr. 28, 1960;
8:45 a.m.]

[Airspace Docket No. 59-WA-238]

PART 600—DESIGNATION OF FEDERAL AIRWAYS

Modification

On January 30, 1960, a notice of proposed rule making was published in the FEDERAL REGISTER (25 F.R. 812) stating that the Federal Aviation Agency proposed to modify the segment of VOR Federal airway No. 4 between Lexington, Ky., and Charleston, W. Va., by realigning it via a VOR to be commissioned July 15, 1960, near Newcombe, Ky. Subsequent to the issuance of the notice, the commissioning date of the VOR was rescheduled to approximately October 20, 1960.

No adverse comments were received regarding the proposed amendment.

Interested persons have been afforded an opportunity to participate in the making of the rule herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendment having been published, therefore, pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) and for the reasons stated in the notice, the following action is taken:

In the text of § 600.6004 (24 F.R. 10504, 10142, 25 F.R. 2009, 2883), "Charleston, W. Va., omnirange station;" is deleted and "Newcombe, Ky., VOR; Charleston, W. Va., VORTAC;" is substituted therefor.

This amendment shall become effective 0001 e.s.t. October 20, 1960.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on April 22, 1960.

GEORGE S. CASSADY,
Acting Director, Bureau of
Air Traffic Management.

[F.R. Doc. 60-3857; Filed, Apr. 28, 1960;
8:46 a.m.]

[Airspace Docket No. 59-WA-339]

PART 600—DESIGNATION OF FEDERAL AIRWAYS

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, AND POSITIVE CONTROL ROUTE SEGMENTS

Designation of Federal Airway, Associated Control Areas and Designated Reporting Points

On December 10, 1959, a notice of proposed rule making was published in the FEDERAL REGISTER (24 F.R. 9997) stating that the Federal Aviation Agency proposed to designate VOR Federal airway No. 459 and its associated control areas from Fresno, Calif., to Linden, Calif., via a VOR to be commissioned approximately March 10, 1960, near Friant, Calif.; and to designate the Friant VOR as a Domestic VOR reporting point. Subsequent to the issuance of the Notice, the commissioning date of the Friant VOR was rescheduled to July 1, 1960.

No adverse comments were received regarding the proposed amendments. The Department of the Air Force, however, has expressed concern over possible problems which could result if the proposed airway restricted Air National Guard departure and penetration procedures at Fresno, but stated that they do not object to the proposed airway provided a satisfactory solution to the indicated problem could be reached between the Federal Aviation Agency and the Air National Guard. It has been determined that application of air traffic management techniques will resolve any such problems.

Interested persons have been afforded an opportunity to participate in the making of the rules herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendments having been published, therefore, pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) and for the reasons stated in the notice, Parts 600 (24 F.R. 10487) and 601 (24 F.R. 10530) and § 601.7001 (24 F.R. 10606) are amended as follows:

1. Add §§ 600.6459 and 601.6459, as follows:

§ 600.6459 VOR Federal airway No. 459 (Fresno, Calif., to Linden, Calif.).

From the Fresno, Calif., VOR via the Friant, Calif., VOR; INT of the Friant VOR 319° True and the Linden, Calif., VOR 124° True radials; to the Linden, Calif., VOR.

§ 601.6459 VOR Federal airway No. 459 control areas (Fresno, Calif., to Linden, Calif.).

All of VOR Federal airway No. 459.

§ 601.7001 [Amendment]

2. In the text of § 601.7001 *Domestic VOR reporting points*, add: "Friant, Calif., VOR."

These amendments shall become effective 0001 e.s.t., July 28, 1960.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on April 22, 1960.

GEORGE S. CASSADY,
Acting Director, Bureau of
Air Traffic Management.

[F.R. Doc. 60-3852; Filed, Apr. 28, 1960; 8:45 a.m.]

[Airspace Docket No. 59-KC-22]

PART 600—DESIGNATION OF FEDERAL AIRWAYS

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, AND POSITIVE CONTROL ROUTE SEG- MENTS

Revocation of a Segment of Federal Airway and Associated Control Areas

On February 10, 1960, a notice of proposed rule making was published in the *FEDERAL REGISTER* (25 F.R. 1163) stating that the Federal Aviation Agency proposed to revoke that segment of Blue Federal airway No. 13 which now extends from Kansas City, Mo. (Liberty, Mo., intersection), to Des Moines, Iowa, and its associated control areas.

Although not mentioned in the Notice, the foregoing requires an amendment to the caption of § 601.4613 which relates to the reporting points for this airway. Such action is being taken herein.

No adverse comments were received regarding the proposed amendments.

Interested persons have been afforded an opportunity to participate in the making of the rules herein adopted, and due consideration has been given to all relevant matters presented.

The substance of the proposed amendments having been published, therefore, pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) and for the reasons stated in the notice, the following actions are taken:

1. In § 600.613 (24 F.R. 10500), the following changes are made:

a. In the caption "(Texarkana, Ark., to Fort Smith, Ark., and Kansas City, Mo., to Des Moines, Iowa)." is deleted and "(Texarkana, Ark., to Fort Smith, Ark.)" is substituted therefor.

b. In the text "From the intersection of the northeast course of Kansas City, Mo., radio range and the south course of the Des Moines, Iowa, radio range to the Des Moines, Iowa, radio range station." is deleted.

2. In the caption of § 601.613 (24 F.R. 10546) "(Texarkana, Ark., to Fort Smith, Ark., and Kansas City, Mo., to Des Moines, Iowa)." is deleted and "(Texarkana, Ark., to Fort Smith, Ark.)" is substituted therefor.

3. In the caption of § 601.4613 (24 F.R. 10596) "(Texarkana, Ark., to Fort Smith, Ark., and Kansas City, Mo., to Des Moines, Iowa)." is deleted and "(Texarkana, Ark., to Fort Smith, Ark.)" is substituted therefor.

These amendments shall become effective 0001 e.s.t. June 30, 1960.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on April 22, 1960.

GEORGE S. CASSADY,
Acting Director, Bureau of
Air Traffic Management.

[F.R. Doc. 60-3853; Filed, Apr. 28, 1960; 8:45 a.m.]

[Airspace Docket No. 59-NY-44]

PART 600—DESIGNATION OF FEDERAL AIRWAYS

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, AND POSITIVE CONTROL ROUTE SEG- MENTS

Modification of Federal Airways and Associated Control Areas

On February 10, 1960, a notice of proposed rule making was published in the *FEDERAL REGISTER* (25 F.R. 1164) stating that the Federal Aviation Agency proposed to extend VOR Federal airway No. 427 and its associated control areas from the Navarre, Ohio, VOR to the intersection of the Navarre VOR 352° True and the Cleveland, Ohio, VOR 109° True radials.

No adverse comments were received regarding the proposed amendments.

Interested persons have been afforded an opportunity to participate in the making of the rules herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendments having been published, therefore, pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) and for the reasons stated in the notice, the following actions are taken:

1. Section 600.6427 (24 F.R. 10527) is amended to read:

§ 600.6427 VOR Federal airway No. 427 (Newcomerstown, Ohio, to Kent, Ohio).

From the Newcomerstown, Ohio, VOR via the Navarre, Ohio, VOR; to the INT of the Navarre VOR 352° True and the Cleveland, Ohio, VOR 109° True radials.

2. Section 601.6427 (24 F.R. 10605) is amended to read:

§ 601.6427 VOR Federal airway No. 427 control areas (Newcomerstown, Ohio, to Kent, Ohio).

All of VOR Federal airway No. 427.

These amendments shall become effective 0001 e.s.t. June 30, 1960.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on April 22, 1960.

GEORGE S. CASSADY,
Acting Director, Bureau of
Air Traffic Management.

[F.R. Doc. 60-3854; Filed, Apr. 28, 1960; 8:45 a.m.]

[Airspace Docket No. 60-WA-59]

PART 600—DESIGNATION OF FEDERAL AIRWAYS

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, AND POSITIVE CONTROL ROUTE SEG- MENTS

Modification of Federal Airway and Designated Reporting Points

The purpose of these amendments to §§ 600.6012 and 601.7001 of the regulations of the Administrator is to modify the south alternate to VOR Federal airway No. 12 between Pittsburgh, Pa., and Johnstown, Pa., and to redescribe the Scottdale Intersection.

The south alternate to Victor 12 between Pittsburgh and Johnstown is presently designated via the intersection of the Pittsburgh VOR 117° True and the Johnstown VOR 250° True radials. This alternate to Victor 12 was so designated that the west segment would overlie VOR Federal airway No. 8 between the Scottdale, Pa., Intersection and the Pittsburgh VOR. In Airspace Docket No. 59-WA-213 (25 F.R. 2009), effective May 5, 1960, Victor 8 was redesignated in part from the Pittsburgh VOR via the Indian Head, Pa., VOR, to the Martinsburg VOR. In order that the segment of Victor 12 south will continue to coincide with Victor 8, Victor 12 south is being redesignated via the intersection of the Pittsburgh VOR 120° True and the Johnstown VOR 250° True radials. The control areas associated with Victor 12 south are so designated that they will automatically conform to the modified airway. Accordingly, no amendment relating to such control areas is necessary. Airspace Docket No. 59-WA-213 also amended § 601.7001 to describe the Scottdale Intersection as the intersec-

tion of the Pittsburgh, Pa., VOR 120° True and the Uniontown, Pa., VOR 018° True radials. So that a common intersection will be formed at the junction of the realigned segment of Victor 8 and modified V-12-S, the Scottdale Intersection is redesignated as the intersection of the Pittsburgh VOR 120° True and the Uniontown VORTAC 003° True radials.

Since these actions do not involve the designation of additional airspace and impose no additional burden on the public, compliance with the notice, public procedure, and effective date requirements of section 4 of the Administrative Procedure Act is unnecessary. However, since it is necessary that sufficient time be allowed to permit appropriate changes to be made on aeronautical charts, this amendment will become effective more than 30 days after publication.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (24 F.R. 4530), §§ 600.6012 (24 F.R. 10506, 25 F.R. 430) and 601.7001 (24 F.R. 10606) are amended as follows:

1. In the text of § 600.6012 VOR Federal airway No. 12 (Santa Barbara, Calif., to Philadelphia, Pa.), delete "and also a south alternate via the INT of the Pittsburgh VOR 117° and the Johnstown VOR 250° radials;" and substitute therefor "and also a south alternate via the INT of the Pittsburgh VOR 120° True and the Johnstown VOR 250° True radials;"

2. In § 601.7001 Domestic VOR reporting points, Scottdale Intersection is amended to read: Scottdale INT: The INT of the Pittsburgh, Pa., VOR 120° True and the Uniontown, Pa., VORTAC 003° True radials.

These amendments shall become effective 0001 e.s.t. June 30, 1960.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on April 22, 1960.

GEORGE S. CASSADY,
Acting Director, Bureau of
Air Traffic Management.

[F.R. Doc. 60-3855; Filed, Apr. 28, 1960; 8:46 a.m.]

[Airspace Docket No. 60-WA-101]

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, AND POSITIVE CONTROL ROUTE SEGMENTS

Modification of Control Area Extension

The purpose of this amendment to § 601.1007 of the regulations of the Administrator is to redescribe the control area extension at Laredo, Tex.

The present Laredo control area extension is described as a 35-mile radius of the Laredo radio range station. This range was converted to an Air Force radio beacon approximately June 10, 1959. Accordingly, the Laredo control

area extension is redescribed to reflect this change. This action does not involve any alteration in the assignment of airspace.

Since this amendment is minor in nature, notice and public procedure hereon are unnecessary, and it may be made effective on less than 30 days' notice.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (24 F.R. 4530), the following action is taken:

In the text of § 601.1007 (24 F.R. 10547) "Laredo, Tex., radio range station." is deleted and "Laredo AFB, Laredo, Tex., RBN." is substituted therefor.

This amendment shall become effective upon the date of publication in the FEDERAL REGISTER.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on April 22, 1960.

GEORGE S. CASSADY,
Acting Director, Bureau of
Air Traffic Management.

[F.R. Doc. 60-3856; Filed, Apr. 28, 1960; 8:46 a.m.]

Title 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 7712 c.o.]

PART 13—PROHIBITED TRADE PRACTICES

Action Records, Inc., et al.

Subpart—Bribing customers' employees: § 13.315 *Employees of private concerns.*

(Sec. 6, 38 Stat. 722; 15 U.S.C. 46. Interpret or apply Sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45) [Cease and desist order, Action Records, Inc., et al., New York, N.Y., Docket 7712, April 1, 1960]

In the Matter of Action Records, Inc., a Corporation, and Louis Klayman, Morris Price, and Herbert Cohen, Individually, and as Officers of Said Corporation

This proceeding was heard by a hearing examiner on the complaint of the Commission charging independent distributors of phonograph records for several manufacturers in New York City with giving concealed "payola" to disk jockeys of radio and television programs to induce them to "expose", or play frequently, certain of their records to increase sales thereof.

Accepting an agreement for a consent order, the hearing examiner made his initial decision and order to cease and desist which became on April 1, 1960, the decision of the Commission.

The order to cease and desist is as follows:

It is ordered, That respondents Action Records, Inc., a corporation, and its officers, and Louis Klayman, Morris Price, and Herbert Cohen, individually and as

officers of said corporation, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with phonograph records which have been distributed in commerce, or which are used by radio or television stations in broadcasting programs in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Giving or offering to give, without requiring public disclosure, any sum of money, or other material consideration, to any person, directly or indirectly, to induce that person to select, or participate in the selection of, and broadcasting of, any such records in which respondents, or any of them, have a financial interest of any nature.

2. Giving or offering to give, without requiring public disclosure, any sum of money, or other material consideration, to any person, directly or indirectly, as an inducement to influence any employee of a radio or television broadcasting station, or any other person, in any manner, to select, or participate in the selection of, and the broadcasting of, any such records in which respondents, or any of them, have a financial interest of any nature.

There shall be "public disclosure" within the meaning of this order by any employee of a radio or television broadcasting station, or any other person, who selects or participates in the selection and broadcasting of a record, when he shall disclose, or cause to have disclosed, to the listening public at the time the record is played, that his selection and broadcasting of such record are in consideration for compensation of some nature, directly or indirectly, received by him or his employer.

By "Decision of the Commission", etc., report of compliance was required as follows:

It is ordered, That respondents herein shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with the order to cease and desist.

Issued: April 1, 1960.

By the Commission.

[SEAL] ROBERT M. PARRISH,
Secretary.

[F.R. Doc. 60-3867; Filed, Apr. 28, 1960; 8:46 a.m.]

[Docket 7668 c.o.]

PART 13—PROHIBITED TRADE PRACTICES

Edward S. Barsky, Inc., et al.

Subpart—Bribing customers' employees: § 13.315 *Employees of private concerns.*

(Sec. 6, 38 Stat. 722; 15 U.S.C. 46. Interpret or apply Sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45) [Cease and desist order, Edward S. Barsky, Inc., et al., Philadelphia, Pa., Docket 7668, April 1, 1960]

In the Matter of Edward S. Barsky, Inc., a Corporation, and Edward S. Barsky, Manuel Barsky and Delaine Ginchoff, Individually and as Officers of Said Corporation

This proceeding was heard by a hearing examiner on the complaint of the Commission charging independent distributors of phonograph records for several manufacturers to retail outlets and jukebox operators in the area of eastern Pennsylvania, southern New Jersey, and Delaware, with giving concealed "payola" to disk jockeys of radio and television programs to induce them to "expose", or play frequently, certain of their records to increase sales thereof.

Based on a consent agreement, the hearing examiner made his initial decision and order to cease and desist which became on April 1, the decision of the Commission.

The order to cease and desist is as follows:

It is ordered, That respondents Edward S. Barsky, Inc., a corporation, and its officers, and Edward S. Barsky and Manuel Barsky, individually and as officers of said corporation, and Delaine Ginchoff, as an officer of said corporation, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with phonograph records which have been distributed, in commerce, or which are used by radio or television stations in broadcasting programs in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Giving or offering to give without requiring public disclosure, any sum of money or other material consideration, to any person, directly or indirectly, to induce that person to select, or participate in the selection of and broadcasting of, any such records in which respondents, or any of them, have a financial interest of any nature.

2. Giving or offering to give, without requiring public disclosure, any sum of money or other material consideration, to any person, directly or indirectly, as an inducement to influence any employee of a radio or television broadcasting station, or any other person, in any manner, to select, or participate in the selection of, and the broadcasting of, any such records in which respondents, or any of them, have a financial interest of any nature.

There shall be "public disclosure" within the meaning of this order by any employee of a radio or television broadcasting station, or any other person, who selects or participates in the selection and broadcasting of a record, when he shall disclose, or cause to have disclosed, to the listening public at the time the record is played, that his selection and broadcasting of such record are in consideration for compensation of some nature, directly or indirectly, received by him or his employer.

It is further ordered, That the complaint be, and the same hereby is, dismissed as to respondent Delaine Ginchoff as an individual.

By "Decision of the Commission", etc., report of compliance was required as follows:

It is ordered, That respondents Edward S. Barsky, Inc., a corporation, and Edward S. Barsky and Manuel Barsky, individually and as officers of said corporation, and Delaine Ginchoff, as an officer of said corporation, shall within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with the order to cease and desist.

Issued: April 1, 1960.

By the Commission.

[SEAL] ROBERT M. PARRISH,
Secretary.

[F.R. Doc. 60-3868; Filed, Apr. 28, 1960;
8:47 a.m.]

[Docket 7673 c.o.]

PART 13—PROHIBITED TRADE PRACTICES

Bernard Lowe Enterprises, Inc., and Bernard Lowe

Subpart—Bribing customers' employees: § 13.315 *Employees of private concerns.*

(Sec. 6, 38 Stat. 722; 15 U.S.C. 46. Interpret or apply Sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45) [Cease and desist order, Bernard Lowe Enterprises, Inc., et al., Philadelphia, Pa., Docket 7673, March 24, 1960]

In the Matter of Bernard Lowe Enterprises, Inc., a Corporation, and Bernard Lowe, Individually and as Officer of Said Corporation

This proceeding was heard by a hearing examiner on the complaint of the Commission charging Philadelphia manufacturers of phonograph records with giving concealed "payola" to disk jockeys of radio and television programs to induce them to "expose", or play frequently, certain of their records to increase sales thereof.

Accepting an agreement for a consent order, the hearing examiner made his initial decision and order to cease and desist which became on March 24 the decision of the Commission.

The order to cease and desist is as follows:

It is ordered, That respondents Bernard Lowe Enterprises, Inc., a corporation, and its officers, and Bernard Lowe, individually and as officer of said corporation, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with phonograph records which have been distributed in commerce, or which are used by radio or television stations in broadcasting programs in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Giving or offering to give, without requiring public disclosure, any sum of money or other material consideration, to any person, directly or indirectly, to

induce that person to select, or participate in the selection of, and broadcasting of, any such records in which respondents, or either of them, have a financial interest of any nature.

2. Giving or offering to give, without requiring public disclosure, any sum of money, or other material consideration, to any person, directly or indirectly, as an inducement to influence any employee of a radio or television broadcasting station, or any other person, in any manner, to select, or participate in the selection of, and the broadcasting of, any such records in which respondents, or either of them have a financial interest of any nature.

There shall be "public disclosure" within the meaning of this order by any employee of a radio or television broadcasting station, or any other person, who selects or participates in the selection and broadcasting of a record, when he shall disclose, or cause to have disclosed, to the listening public at the time the record is played, that his selection and broadcasting of such record are in consideration for compensation of some nature, directly or indirectly, received by him or his employer.

By "Decision of the Commission", etc., report of compliance was required as follows:

It is ordered, That respondents herein shall within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with the order to cease and desist.

Issued: March 24, 1960.

By the Commission.

[SEAL] ROBERT M. PARRISH,
Secretary.

[F.R. Doc. 60-3869; Filed, Apr. 28, 1960;
8:47 a.m.]

Title 32—NATIONAL DEFENSE

Chapter I—Office of the Secretary of Defense

SUBCHAPTER C—DEFENSE CONTRACT FINANCING

PART 82—DEFENSE CONTRACT FINANCING REGULATIONS

Miscellaneous Amendments

The following amendments to this part are issued by direction of the Assistant Secretary of Defense (Supply and Logistics) pursuant to the authority contained in Department of Defense Directive No. 4105.30, dated March 11, 1959 (24 F.R. 2260) and 10 U.S.C. 2202, and have the concurrence of the military departments.

§§ 82.23, 82.24, 82.59 [Amendment]

1. Internal reference to "2.406," appearing in §§ 82.23, 82.24, and 82.59, is changed to read "2.407."

2. New §§ 82.33a, 82.33a-1, 82.33a-2, and 82.33a-3 are added, as follows:

§ 82.33a Foreign procurement.

The regulations in this part apply equally to domestic and foreign procurement, with the exceptions and qualifications stated in this section and in §§ 82.33a-1 to 82.33a-3. The enforceability of a contract provision in a foreign jurisdiction is dependent on local law and procedure. It may sometimes become necessary to take action in foreign countries to enforce collateral security or other contract financing protective provisions, or to recover property pursuant to a progress payment clause, and to collect contract financing indebtedness. In such cases, the nature and extent of remedies available for enforcement of contract provisions is necessarily determined by the laws, rules and procedures of the country in which the relief is sought.

§ 82.33a-1 Progress payments on contracts for foreign performance.

When progress payments (Subpart E of this part) are contemplated for contracts to be performed wholly or partly in a foreign country, appropriate legal advice should be obtained with respect to the validity, enforceability and effectiveness of the contemplated progress payment clause (§§ 82.79-1, 82.79-2 and 82.80) and of any proposed guarantees, pledges or other special protective arrangements, within the foreign country involved. Such legal advice should also cover the need, if any, for additional protective provisions (§ 82.80-6) or for deviations (§ 82.78-9) from the uniform clauses, that may be required to comply with the applicable foreign law and to provide for the most effective protection and enforcement of the interests of the United States. Section 82.86 requires that proposed deviations (§ 82.78-9) must have prior approval of the contract financing office (§ 82.26) after the coordination mentioned in § 82.87.

§ 82.33a-2 Advance payments on contracts for foreign performance.

When advance payments are proposed (Subpart D of this part) for contracts to be performed wholly or partly in a foreign country, the recommendation (§ 82.62) for advance payments should include appropriate legal advice along the lines of that outlined in § 82.33a-1. When advance payments are proposed to be made on contracts with foreign governments, it is expected that the advance payment arrangement, if approved (82.56), would not include provisions generally unsuitable for government-to-government agreements, such as those for special bank accounts, unilateral withdrawal of funds, liens, insurance, additional security, or representations, warranties and covenants of the kinds set forth in § 82.64-2 (p) and (r). It is recognized that advance payments to foreign governments, when authorized, will need to be adapted to the special circumstances of each case to provide appropriate protection in the light of the relationship of the United States to each affected foreign government and with due recognition of the sovereign status of the contracting parties.

§ 82.33a-3 Guaranteed loans for foreign contract performance.

When contracts or subcontracts are to be performed in a foreign country, financing by means of loans guaranteed by the military departments seldom will be practicable because of difficulties of loan administration and enforcement. When loans are to be utilized for financing of such contracts or subcontracts, it is considered generally preferable that the loans be provided within the internal financial system of the foreign country concerned, without military department guarantee.

3. Revise §§ 82.50, 82.53(a) and 82.78-5, and add new § 82.68a, as follows:

§ 82.50 Scope of subpart; references.

This subpart covers policy and procedure for advance payments on prime contracts, including advance payments on subcontracts under all types of prime contracts. It applies to all advance payments hereafter authorized pursuant to any legislation or other authority, except as provided in § 82.68a. It is to be applied in conformity to the policies stated in Subpart B of this part. Sections 82.1, 82.2, 82.3, 82.4, 82.5, 82.8, 82.9, 82.12-2 and 82.12-3 are also applicable to advance payments.

§ 82.53 Interest.

(a) Interest will be charged on all advance payments hereafter authorized, at the rate of five percent per annum on the unliquidated balance: *Provided, however*, Advance payments may be approved without interest when in connection with nonprofit contracts with nonprofit educational or research institutions for experimental, research and development work, or on nonprofit contracts in the dependents' medical care program, or on contracts solely for the management and operation of Government-owned plants, or, in unusual cases when specifically authorized by the Under or Assistant Secretary responsible for the Comptroller function. In this connection, contracts for acquisition of facilities at cost, for Government ownership, in combination with or in contemplation of supply contracts or subcontracts, will be treated as ordinary profit contracts requiring interest on advance payments.

§ 82.68a. Excluded advance payments.

The regulations of this part do not apply to advance payments for:

(a) Extension or connection of public utilities for military installations, as authorized by Military Construction Authorization Acts;

(b) Insurance of official motor vehicles in foreign countries, and expenses of investigations in foreign countries, as authorized by section 603 of the Department of Defense Appropriation Act, 1960 (73 Stat. 378) or by other legislation authorizing payments for such expenses;

(c) Rentals, as authorized by section 606 of the Department of Defense Appropriation Act, 1960 (73 Stat. 378) or by 31 U.S.C. 529i (69 Stat. 314) or by other legislation specifically authorizing advance payment of rent;

(d) Tuition, as authorized by 31 U.S.C. 529i (69 Stat. 314);

(e) Subscriptions to publications, as authorized by 31 U.S.C. 530;

(f) Small purchases of goods or services in foreign countries, when the purchase price does not exceed \$2,500 or equivalent amount of applicable foreign currency and advance payment of the purchase price or of a part thereof is required by and made in compliance with the laws or ministerial, i.e., governmental, regulations of the foreign country concerned, as authorized by 31 U.S.C. 529i (69 Stat. 314).

§ 82.78-5 Incurred costs.

Incurred costs are those costs identified through the use of the accrual method of accounting and reporting. As to invoices, incurred costs include only invoices for (a) completed work to which the prime contractor has acquired title, (b) materials delivered (to which the prime contractor has acquired title), (c) services rendered, (d) costs billed under cost reimbursement or time and material subcontracts for work to which the prime contractor has acquired title, and (e) invoices for progress payments to subcontractors which have been paid or approved for current payment in the ordinary course of business (as specified in the prime contract), all properly recorded on the books of the contractor and identified with the contract. Costs incurred include costs of direct labor, direct material, and direct services identified with and necessary for the performance of the contract, and also all properly allocated and allowable overhead (indirect) cost as shown by the books of the contractor.

4. In § 82.79-1, revise paragraph (a)(1) and add new paragraph (j) to "Progress Payments" clause, as follows:

§ 82.79-1 Total cost clause.**PROGRESS PAYMENTS**

(a) *Computation of amounts.* (1) Unless a smaller count is requested, each progress payment shall be (i) 70 percent of the amount of the Contractor's total costs incurred under this contract plus (ii) the amount of progress payments to subcontractors as provided in (j) below; all less the sum of previous progress payments.

(j) *Progress payments to subcontractors.* (1) The amount mentioned in item (a)(1) (ii) above shall be the sum of (i) all the progress payments made by the Contractor to his subcontractors and remaining unliquidated, and (ii) unpaid billings for progress payments to subcontractors which have been approved for current payment in the ordinary course of business, when under subcontracts which conform to (2) below.

(2) Subcontracts on which progress payments to subcontractors may be included in the base for progress payments pursuant to paragraph (a) of this clause are limited to those subcontracts in which there is expected to be a long "lead time," approximating six months or more between the beginning of work and the first delivery, containing subcontract progress payment provisions which (i) are substantially similar to and as favorable to the Government as this "Progress Payments" clause (and no more favorable to the subcontractor than this clause is to the Contractor), and (ii)

make all rights of the subcontractor with respect to all property to which the Government has title under the subcontract subordinate to the rights of the Government to require delivery of such property to it in the event of default by the Contractor under this contract or in the event of the bankruptcy or insolvency of the subcontractor.

(3) The Government agrees that any proceeds received by it from property to which it has acquired title by virtue of such provisions in any subcontract shall be applied to reduce the amount of unliquidated progress payments made by the Government to the Contractor under this contract. In the event the Contractor fully liquidates such progress payments made by the Government to him hereunder and there are progress payments to any subcontractors which are unliquidated, the Contractor shall be subrogated to all the Government's rights by virtue of such provisions in the subcontract or subcontracts involved as if all such rights had been thereupon assigned and transferred to the Contractor.

(4) The billings described in (j) (1) (ii) above shall be paid promptly by the Contractor in the ordinary course of business not later than a reasonable time after payment of equivalent amounts by the Government to the Contractor.

(5) To facilitate small business participation in subcontracting under this contract, the Contractor agrees to provide progress payments to those subcontractors which are small business concerns in conformity with the standards for customary progress payments stated in paragraph 503 of Appendix E of the Armed Services Procurement Regulation, as in effect on the date of this contract. The Contractor further agrees that the need for such progress payments will not be considered as a handicap or adverse factor in the award of subcontracts.

5. In § 82.79-2, revise paragraph (a) (1) and add new paragraph (j) to "Progress Payments" clause, as follows:

§ 82.79-2 Direct labor and materials cost clause.

PROGRESS PAYMENTS

(a) *Computation of amounts.* (1) Unless a smaller amount is requested, each progress payment shall be (i) 85 percent of the amount of the Contractor's costs incurred of direct labor and material¹ only under this contract plus (ii) the amount of progress payments to his subcontractors as provided in (j) below and remaining unliquidated; all less the sum of previous progress payments.

(j) *Progress payments to subcontractors.* [Same as paragraph (j) of "Total Costs" clause.]

6. Revise §§ 82.82, 82.82-1, and 82.82-2, and add new § 82.82-3, as follows:

§ 82.82 Subcontracts.

(a) Subcontractors ought to be able to get progress payments from their customers on standards which are the same as those applicable to prime contracts. Contractors should be encouraged to extend progress payments to subcontractors on subcontracts which meet the

¹ Strike out "labor and" or "and material" if progress payments are limited to single direct cost.

standards for customary progress payments outlined in § 82.72.

(b) The policies and standards for "unusual" progress payments set forth in § 82.74 are equally applicable to situations where it is contemplated that contracts will provide for progress payments based on "unusual" progress payments made by a prime contractor to a subcontractor. In such cases, when the inclusion of such unusual progress payments on the subcontracts has been approved in the manner set forth in § 82.74, appropriate revision will be made in paragraph (j) (2) of the progress payment clause (See §§ 82.79-1 and 82.79-2) so as to permit inclusion of the unusual progress payments on the subcontract as part of the base for progress payments on the prime contract. Such revisions are deemed not to be deviations, and do not require the clearance called for by § 82.86(b). Sections 82.79-1(a) (2) and 82.79-2(a) (2) apply only to the "contractor's" costs mentioned in § 82.79-1(a) (1) (i) and 82.79-2(a) (1) (i) respectively. Sections 82.79-1(a) (2) and 82.79-2(a) (2) do not apply to the progress payments to subcontractors mentioned in §§ 82.79-1(a) (1) (ii) and 82.79-2(a) (1) (ii) respectively. This interpretation governs existing §§ 82.79-1 and 82.79-2 clauses in contracts, as well as new contracts in which a new clarifying reference to "(a) (1) (i)," as set out above, will be included in paragraph (a) (2) of the Progress Payment clause.

§ 82.82-1 Subcontractor progress payments.

When progress payments have been made by a prime contractor to a subcontractor pursuant to the provisions of the applicable prime contract and subcontract, the progress payment to the prime contractor to reimburse him for such progress payment to the subcontractor shall include the full amount of his progress payment made to the subcontractor. When a percentage less than 100 percent has been specified on existing contracts, this lesser percentage will control the amount of progress payments to be made pursuant to paragraph (a) (1) (ii) of §§ 82.79-1 and 82.79-2 and the maximum limit on unliquidated progress payments on account of unliquidated progress payments to subcontractors under paragraph (a) (3) (i) of §§ 82.79-1 and 82.79-2.

§ 82.82-2 Adaptation of uniform clause for subcontracts.

(a) Contracting officers are not required to review or approve subcontracts merely because they provide for progress payments. However, they shall check and review subcontracts providing for progress payments to the extent appropriate in the ordinary course of administration of the progress payment clause of prime contracts. The duty rests on the prime contractor to see to it that its subcontracts providing for progress payments, to be included in the base for progress payments pursuant to the pro-

visions of §§ 82.79-1(j) and 82.79-2(j) conform to those provisions of the contract. In adapting the clauses set forth in §§ 82.79-1 and 82.79-2 for use in subcontracts, to conform to §§ 82.79-1(j) or 82.79-2(j), the subcontract progress payment clause should have appropriate changes to reflect the position of the prime contractor as purchaser and of the subcontractor as vendor, and to indicate that the progress payments under the subcontract are being made and administered by the prime contractor. However, the title provision of the progress payments clause of the subcontract shall provide for the vesting of title directly in the Government, as set forth in §§ 82.79-1(d) and 82.79-2(d), and the subcontract will not substitute the prime contractor for the Government as the holder of title under that paragraph of the subcontract. In that title paragraph of the subcontract, reference to the prime contractor should, however, be substituted for the word "Government" in the parenthetical expression concerning drawings and technical data, and also in the second sentence of the paragraph. In the subcontract counterpart of §§ 82.79-1(g) and 82.79-2(g) entitled "Reports—Access to Records" the references to "Contracting Officer" and "Government" should not be deleted, but may in each case be expanded so as to refer to the "Contracting Officer or the prime contractor," (§§ 82.79-1(g) (1), 82.79-2(g) (1), and to the "Government or the prime contractor" (§§ 82.79-1(g) (2), 82.79-2(g) (2)).

(b) With regard to the subcontract counterpart of the "Special Provisions Regarding Default" (§§ 82.79-1(h), 82.79-2(h)) only the substance of the first 26 words of that paragraph (with reference to the prime contractor substituted for "Government"), is required for conformity to the provisions of § 82.79-3.

§ 82.82-3 Substitution of new clause for old clause.

In furtherance of the policy of encouraging the making of proper progress payments to subcontractors (§ 82.82), those contracts which contain a progress payment clause conforming to former §§ 82.79-1 or 82.79-2 as issued 25 May 1959, whether with or without the Schedule provisions authorized by former § 82.79-3, may be amended, for nominal consideration only, so as to substitute one of the §§ 82.79-1—82.79-2 clauses for the existing progress payment clause.

[Rev. 53, ASPR, April 1, 1960] (R.S. 161, sec. 2202, 70A Stat. 120; 5 U.S.C. 22, 10 U.S.C. 2202. Interpret or apply sec. 301, 702(d), 64 Stat. 800, 816, as amended, secs. 2307, 7364, 70A Stat. 131, 455, as amended, sec. 1, 72 Stat. 972; 50 U.S.C. App. 2091, 2152(d), 10 U.S.C. 2307, 7364, 50 U.S.C. 1431, E.O. 10480, 18 F.R. 4939, 3 C.F.R., 1953 Supp., E.O. 10789, 23 F.R. 8897)

R. V. LEE,
Major General, U.S. Army,
The Adjutant General.

[F.R. Doc. 60-3850; Filed, Apr. 28, 1960; 8:45 a.m.]

Proposed Rule Making

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR (1954) Part 1]

INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

Charges to Capital and to Expense in Case of Oil and Gas Wells

Pursuant to the Administrative Procedure Act, approved June 11, 1946, regulations proposed to be prescribed as § 1.612-4 were published in tentative form with a notice of proposed rule making in the FEDERAL REGISTER for November 3, 1956 (21 F.R. 8446). Notice is hereby given that such proposed regulations are withdrawn.

Further, notice is hereby given, pursuant to the Administrative Procedure Act, that the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury or his delegate, in substitution for the proposed regulations hereinbefore withdrawn. Prior to the final adoption of such regulations, consideration will be given to any comments or suggestions pertaining thereto which are submitted in writing, in duplicate, to the Commissioner of Internal Revenue, Attention: T:P, Washington 25, D.C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. Any person submitting written comments or suggestions who desires an opportunity to comment orally at a public hearing on these proposed regulations should submit his request, in writing, to the Commissioner within the 30-day period. In such a case, a public hearing will be held, and notice of the time, place, and date will be published in a subsequent issue of the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805).

[SEAL]

DANA LATHAM,
Commissioner of Internal Revenue.

The following regulations, relating to charges to capital and to expense in case of oil and gas wells, are hereby prescribed as § 1.612-4 of the Income Tax Regulations. Such regulations are applicable for taxable years beginning after December 31, 1953, and ending after August 16, 1954, except as otherwise provided.

§ 1.612-4 Charges to capital and to expense in case of oil and gas wells.

(a) *Option with respect to intangible drilling and development costs.* (1) In accordance with section 263(c), the operator (one who holds the working or operating rights and is obligated for the

costs of production either as a fee owner or under a lease or any other form of contract creating working or operating rights) may, at his option, deduct as expenses the intangible drilling and development costs paid or incurred by him in the development of oil and gas deposits to the extent such costs are attributable to his share of the total of all operating mineral interests in the well. To the extent such costs are not so attributable, but are attributable to the fraction of the total operating mineral interests held by others, they are not subject to the option and must be capitalized.

(2) Where the operator is assigned all the operating rights for the "complete pay-out period" in a well (or wells), he will be considered, for purposes of subparagraph (1) of this paragraph as having the entire operating mineral interest in such well (or wells). Similarly, where the operator is assigned only a fraction of the operating rights for the "complete pay-out period" he will be considered as having such fraction of the entire operating mineral interests in such well (or wells). Where the operator holds all of the operating rights, or a fraction thereof, for less than the complete pay-out period, his share of the total of the operating mineral interests will be determined by reference to his share of such interests immediately after the complete pay-out period. The "complete pay-out period" means the period ending when the gross income attributable to all of the operating mineral interests in the well (or wells) equals all expenditures for drilling and development (tangible and intangible) of such well (or wells) plus the costs of operating such well (or wells) to produce such an amount.

(3) This option applies to all expenditures made by an operator for wages, fuel, repairs, hauling, supplies, etc., incident to and necessary for the drilling of wells and the preparation of wells for the production of oil or gas. Such expenditures have for convenience been termed intangible drilling and development costs. They include the cost to operators of any drilling or development work (excluding amounts payable only out of production or gross or net proceeds from production, which amounts are depletable income to the recipient, and amounts properly allocable to cost of depreciable improvements) done for them by contractors under any form of contract, including turnkey contracts. Examples of items to which this option applies are all amounts paid for labor, fuel, repairs, hauling, and supplies, or any of them, which are used (i) in the drilling, shooting, and cleaning of wells; (ii) in such clearing of ground, draining, road making, surveying, and geological work as are necessary in preparation for the drilling of wells; and (iii) in the construction of such derricks, tanks, pipelines, and other physical structures as

are necessary for the drilling of wells and the preparation of wells for the production of oil or gas. In general, this option applies only to expenditures for those drilling and developing items which in themselves do not have a salvage value. For the purpose of this option, labor, fuel, repairs, hauling, supplies, etc., are not considered as having a salvage value, even though used in connection with the installation of improvements which have a salvage value. Included in this option are all costs of drilling and development undertaken (directly or through a contract) by an operator whether incurred by him prior or subsequent to the formal grant or assignment to him of the operating interest (a leasehold interest, or other form of operating or working interest).

(4) The provisions of this paragraph may be illustrated by the following examples. For purposes of these examples, it is assumed that, in any case where the arrangement constitutes a partnership, the parties have elected under section 761 to be excluded from the application of the provisions of Subchapter K of this chapter.

Example (1). L, a lessee, assigns an undivided one-half of his interest in an oil and gas lease to O who obligates himself to drill, equip, and operate a well thereon at his own cost and expense with the right to take all of the oil and gas (after royalties and production payments) until complete pay-out; thereafter each party is to assume his proportionate share of the costs of production and receive his share of the oil and gas or the proceeds thereof. O has the entire operating interest throughout the complete pay-out period, and therefore, may expense the entire amount of the intangible drilling and development costs, provided he has properly exercised his option to do so.

Example (2). L, a lessee, assigns an undivided one-fourth of his interest in an oil and gas lease to O who obligates himself to drill, equip, and operate a well thereon at his own cost and expense with the right to take all of the oil and gas (after royalties and production payments) until he has been reimbursed, after meeting his operating costs, for one-half of all costs of drilling and equipping the well. Thereafter, each party will assume his proportionate share of the costs of production and receive his share of the oil and gas, so that L will thereafter pay three-fourths of the expenses and will receive three-fourths of the oil and gas, and O will pay one-fourth of the expenses and receive one-fourth of the oil and gas. Thus, O may deduct one-fourth of his intangible drilling and development costs, provided he has properly exercised his option to do so.

Example (3). L, a lessee, assigns an undivided one-half of his interest in an oil and gas lease to O who obligates himself to drill and equip one well thereon, free of cost to L. L and O share the production costs equally and share equally in the oil and gas attributable to this well from the beginning of production. O may deduct one-half of the intangible drilling and development costs, provided he has properly exercised his option to do so.

Example (4). L, a lessee, agrees that if O will drill and equip one well on L's lease, free of cost to L, O shall be assigned a pro-

duction payment in the lease which will entitle him to receive all the proceeds thereof, free of all production costs, until he has recovered twice his costs of drilling and equipping the well, plus six percent interest thereon. Since O is to bear none of the production costs, he has no part of the operating interest and cannot deduct any part of the intangible drilling and development costs. Such costs must be capitalized as O's cost of his production payment in exchange for which he agreed to drill and equip one well.

Example (5). L, a lessee, agrees to transfer all the working interest in an oil and gas lease to O who agrees to drill and complete a well on such lease. It is also agreed that O will retain all the working interest until such time as he has recovered 200 percent of his drilling and equipping costs plus the operating costs necessary to produce such amount. Afterwards, O will transfer all the working interest to L and will retain no interest in the lease. O may deduct all his intangible drilling and development costs, provided he has properly exercised his option to do so.

(b) *Recovery of optional items; if capitalized.* (1) Items recoverable through depletion: If the taxpayer charges to capital account such expenditures as fall within the option, the amounts so capitalized are recoverable through depletion insofar as they are not represented by improvements. For the purposes of this section, the expenditures for clearing ground, draining, road making, surveying, geological work, excavation, grading and the drilling, shooting, and cleaning of wells, are considered not to be represented by improvements, and when charged to capital account are returnable through depletion.

(2) Items recoverable through depreciation: If the taxpayer charges such expenditures as fall within the option to capital account, the amounts so capitalized and not deducted as a loss are returnable through depreciation insofar as they are represented by improvements. Such expenditures are amounts paid for wages, fuel, repairs, hauling, supplies, etc., used in the installation of casing and equipment and in the construction on the premises of derricks and other physical structures.

(3) In the case of capitalized intangible drilling and development costs incurred under a contract, such costs shall be allocated between the foregoing classes of items specified in subparagraphs (1) and (2) of this paragraph for the purpose of determining the depletion and depreciation allowances.

(4) Election with respect to cost of nonproductive wells: If the operator has exercised the option under paragraph (a) of this section to capitalize intangible drilling and development costs, then an election is accorded with respect to intangible drilling and development costs incurred in drilling a nonproductive well. Such costs incurred in drilling a nonproductive well may be deducted by the taxpayer as an ordinary loss provided a proper election is made by a clear statement in the return for the first taxable year beginning after December 31, 1942, in which such a nonproductive well is completed. Such election with respect to intangible drilling and development costs of nonproductive wells, when made, shall be binding for all subsequent years. The absence of a clear indication in such

return of an election to deduct as ordinary losses intangible drilling and development costs of nonproductive wells shall be deemed to be an election to recover such costs through depletion to the extent that they are not represented by improvements, and through depreciation to the extent that they are represented by improvements.

(c) *Nonoptional items distinguished.*

(1) Capital items: The option with respect to intangible drilling and development costs does not apply to expenditures by which the taxpayer acquires improvements ordinarily considered as having a salvage value. Examples of such items are the costs of the actual materials in those structures which are constructed in the wells and on the premises, and the cost of drilling tools, pipe, casing, tubing, tanks, engines, boilers, machines, etc. The option does not apply to any expenditure for wages, fuel, repairs, hauling, supplies, etc., in connection with equipment, facilities, or structures, not incident to or necessary for the drilling of wells, such as structures for storing or treating oil or gas. These are capital items and are recoverable through depreciation except to the extent such items are attributable to the fraction of the total operating mineral interests held by others in which case they are recoverable through depletion.

(2) Expense items: Expenditures which must be charged off as expense, regardless of the option provided by this section, are those for labor, fuel, repairs, hauling, supplies, etc., in connection with the operation of the wells and of other facilities on the premises for the production of oil or gas.

(d) *Effect of option and election.* This section does not grant a new option under paragraph (a) of this section or new election under paragraph (b) of this section. Any taxpayer who exercised an option or made an election under paragraph (b) of § 29.23(m)-16 of Regulations 111 (26 CFR (1939) 29.23(m)-16) or paragraph (a) or (b) of § 39.23(m)-16 of Regulations 118 (26 CFR (1939) 39.23(m)-16), is, by such option or election, bound with respect to all intangible drilling and development costs (whether made before January 1, 1954, or after December 31, 1953) in connection with oil and gas properties. See section 7807(b)(2). Any taxpayer who has not made intangible drilling and development expenditures in any taxable year beginning after December 31, 1942, prior to his first taxable year beginning after December 31, 1953, and ending after August 16, 1954, must exercise the option granted in paragraph (a) of this section in the return for the first taxable year in which the taxpayer pays or incurs such expenditures. If such return is required by law (including extensions thereof) to be filed before the first day of the first month which begins more than 90 days after § 1.612-4 of the Income Tax Regulations is published in the FEDERAL REGISTER as a Treasury decision, the option under paragraph (a) of this section, or the election under paragraph (b) of this section, may be exercised or changed not later than the first day of such first month. The exercise of or change in such option or

election shall be effective with respect to the earliest taxable year to which the option or election is applicable in respect of which assessment of a deficiency or credit or refund of an overpayment, as the case may be, resulting from such exercise or change is not prevented by any law or rule of law on the date such option is exercised or such election is made. Any such option or election shall be binding upon the taxpayer for the first taxable year for which it is effective and for all subsequent taxable years.

[F.R. Doc. 60-3887; Filed, Apr. 28, 1960; 8:49 a.m.]

[26 CFR (1954) Part 1]

INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

Notice of Proposed Rule Making

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury or his delegate. Prior to the final adoption of such regulations, consideration will be given to any comments or suggestions pertaining thereto which are submitted in writing, in duplicate, to the Commissioner of Internal Revenue, Attention: T:P, Washington 25, D.C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. Any person submitting written comments or suggestions who desires an opportunity to comment orally at a public hearing on these proposed regulations should submit his request, in writing, to the Commissioner within the 30-day period. In such a case, a public hearing will be held and notice of the time, place, and date will be published in a subsequent issue of the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805).

[SEAL]

CHARLES I. FOX,
Acting Commissioner of
Internal Revenue.

The Income Tax Regulations (26 CFR Part 1) under section 72 of the Internal Revenue Code of 1954, as amended by Treasury Decision 6233 (22 F.R. 3416), approved May 9, 1957, under section 105 of the Internal Revenue Code of 1954, as amended by Treasury Decision 6177 (21 F.R. 3678), approved May 24, 1956, and under section 402 of the Internal Revenue Code of 1954 are further amended as follows:

PARAGRAPH 1. There is inserted immediately after § 1.72-14 the following new section:

§ 1.72-15 Applicability of section 72 to accident or health plans.

(a) *Applicability of section.* This section provides the rules for determining the taxation of amounts received from

an employer-established plan which provides for distributions that are taxable under section 72 and which also provides for distributions that may be excludable from gross income under section 104 or 105 as accident or health benefits. For example, this section will apply to a pension plan described in section 401 and exempt under section 501 which provides for the payment of pensions at retirement and the payment of an earlier pension in the event of permanent disability. This section will also apply to a profit-sharing plan described in section 401 and exempt under section 501 which provides for periodic distribution of the amount standing to the account of a participant during any period that the participant is absent from work due to a personal injury or sickness and for the distribution of any balance standing to the account of the participant upon his separation from service. For purposes of this section, the term "contributions of the employee" includes contributions by the employer which were includible in the employee's gross income.

(b) *General rule.* Section 72 does not apply to any amount received as an accident or health benefit, and the tax treatment of any such amount shall be determined under sections 104 and 105. See paragraphs (c) and (d) of this section, paragraph (d) of § 1.104-1, and §§ 1.105-1 through 1.105-5. Section 72 does apply to any amount which is received under a plan to which this section applies and which is not an accident or health benefit. See paragraph (e) of this section.

(c) *Accident or health benefits attributable to employee contributions.* (1) If a plan to which this section applies provides that any portion of the accident or health benefits is attributable to the contributions of the employee to such plan, then such portion of such benefits is excludable from gross income under section 104(a)(3) and paragraph (d) of § 1.104-1. Neither section 72 nor section 105 applies to any accident or health benefits (whether paid before or after retirement) attributable to contributions of the employee. Since such portion is excludable under section 104(a)(3), such portion is not subject to the \$100-a-week limitation of section 105(d) and if such portion is payable after the retirement of the employee, it is excludable without regard to the provisions of § 1.105-4 and section 72.

(2) In determining the taxation of any amounts received as accident or health benefits from a plan to which this section applies, the first step is to determine the portion, if any, of the contributions of the employee which is used to provide the accident or health benefits and the portion of the accident or health benefits attributable to such portion of the employee's contributions. If such a plan expressly provides that the accident or health benefits are provided in whole or in part by employee contributions and the portion of employee contributions to be used for such purpose, the contributions so used will be treated as used to provide accident or health benefits. However, if the plan

does not expressly provide that the accident or health benefits are to be provided with employee contributions and the portion of employee contributions to be used for such purpose, it will be presumed that none of the employee contributions is used to provide such benefits. Thus, in the case of a contributory pension plan, it will be presumed that the disability pension is provided by employer contributions, unless the plan expressly provides otherwise, or in the case of a contributory profit-sharing plan providing that a portion of the amount standing to the account of each participant will be used to purchase accident or health insurance, it will be presumed that such insurance is purchased with employer contributions, unless the plan expressly provides otherwise. Similarly, unless the plan expressly provides otherwise, it will be presumed that if a contributory profit-sharing plan provides for periodic distributions from the account of a participant during any absence from work because of a personal injury or sickness, all such distributions which do not exceed the contributions of the employer plus earnings thereon are provided by employer contributions.

(3) Any employee contributions that are treated under subparagraph (2) of this paragraph as used to provide accident or health benefits shall not be included for any purpose under section 72 as employee contributions or as aggregate premiums or other consideration paid. Thus, in the case of a pension plan, or in the case of a profit-sharing plan providing that a portion of the amount standing to the account of each participant will be used to purchase accident or health insurance, any employee whose contributions are so used must make the adjustment provided by this subparagraph irrespective of whether such employee receives any accident or health benefits under such plan. However, in the case of a profit-sharing plan providing for periodic distributions from the account of a participant during any absence from work because of a personal injury or sickness, an adjustment under this subparagraph is required only when an employee receives distributions in excess of the employer contributions and earnings thereon.

(4) If any of the employee contributions are treated under subparagraph (2) of this paragraph as used to provide any of the accident or health benefits, the portion of the benefits attributable to employee contributions shall be determined in accordance with § 1.105-1. Any accident or health benefits that are excludable under section 104(a)(3) shall not be included in the expected return for purposes of section 72.

(d) *Accident or health benefits attributable to employer contributions.* Any amounts received as accident or health benefits and not attributable to contributions of the employee are includible in gross income except to the extent that such amounts are excludable from gross income under section 105 (b), (c), or (d) and the regulations thereunder. Thus, such amounts may be excludable under section 105(d) as pay-

ments under a wage continuation plan. However, if such payments, when added to other such payments attributable to employer contributions, exceed the limitations of section 105(d), then the excess is includible in gross income under section 105(a). Such excess is not excludable under section 72.

(e) *Other benefits under the plan.* The taxability of amounts that are received under a plan to which this section applies and that are not accident or health benefits is determined under section 72 without regard to any exclusion or inclusion of accident or health benefits under sections 104 and 105. For example, the investment in the contract or aggregate premiums paid is determined without regard to the exclusion of any amount under section 104 or 105, and the annuity starting date is determined without regard to the receipt of any accident or health benefits. However, if any employee contributions are used to provide any accident or health benefits, the investment in the contract or aggregate premiums paid must be adjusted as provided in paragraph (c) (3) of this section.

(f) *Examples.* The principles of this section may be illustrated by the following examples:

Example (1). A, an employee, is a participant in a contributory pension plan described in section 401(a) and exempt under section 501(a). Such plan provides for the payment of a pension to each participant when he retires at age 65 or when he retires earlier if the retirement is due to permanent and total disability. In 1958, A, who was age 52, became totally and permanently disabled because of an injury and commenced to receive a pension of \$88 a week under this plan. A had contributed \$11,804 to the plan. The plan does not expressly provide that any portion of the disability pension is purchased with employee contributions. Accordingly, it is presumed that no portion of the disability pension is purchased with A's contributions. The disability pension which A receives qualifies as payments under a wage continuation plan for purposes of section 105(d) and § 1.105-4, and if such payments are the only accident or health benefits which are attributable to the contributions of his employer, such payments are entirely excludable under section 105(d) until A reaches age 65, his normal retirement age under the plan. The payments which A receives after he becomes age 65 are taxable under section 72. The payments which A receives do constitute an annuity as defined in paragraph (b) of § 1.72-2, but since the amounts which he will receive during the first three years after attaining age 65 exceed his contributions, he shall exclude under § 1.72-13 the entire amount of all payments that he receives as an annuity after attaining age 65 until such amounts equal his contributions to the plan, or \$11,804. Thereafter, the payments that he receives under the plan are includible in gross income.

Example (2). B, an employee, is a participant in a contributory profit-sharing plan described in section 401(a) and exempt under section 501(a). Such plan provides that, in the event a participant is absent from work because of a personal injury or sickness, he will be paid \$125 a week out of his account in such plan. Any amount standing to the account of a participant at the time of his separation from service will be paid to him at such time. During 1958, B incurred a personal injury and as a result was absent from work for nine weeks. He received nine weekly payments of \$125, or

a total of \$1,125, on account of such absence from work. At the time B was injured, he had contributed \$5,000 to the plan. The plan did not expressly provide that a participant's contributions are to be used to provide for the distributions during disability. Accordingly, it is presumed that B's contributions were not used to provide the accident or health benefits under the plan. Since these weekly payments are paid because of B's absence from work due to the injury, and since such payments are considered as attributable to contributions of his employer, such payments are required under section 105(a) to be included in B's gross income except to the extent that they are excludable under section 105(d). If B receives no other payments under a wage continuation plan attributable to contributions of his employer, \$100 of each weekly payment is excludable from gross income under section 105(d), but \$25 of each weekly payment is includable in gross income under section 105(a). The \$100-a-week payment so excludable does not reduce B's investment in the contract or the amount of premiums considered to have been paid by B for purposes of any subsequent computations under section 72.

Example (3). The facts are the same as in example (2) except that B was absent from work for 130 weeks. At the time B was injured, his employer had contributed \$10,000 to the plan on his account, and \$6,000 of earnings of the plan had been allocated to his account. Thus, at the time he was injured, B's account included \$21,000, and \$14,000 of such amount consists of employer contributions of \$10,000 plus earnings of \$4,000 thereon. The first 112 weekly payments (totaling \$14,000) which B receives are treated in the manner set forth in example (2). However, since the remaining payments exceed the employer contributions plus earnings thereon, such remaining payments are considered to be distributions of B's contributions plus earnings thereon. Since the total of such payments, or \$2,250, is less than B's contributions to the plan, \$5,000, the entire amount of such payments is excludable from B's gross income, but a corresponding adjustment with respect to the return of B's contributions shall be made to his consideration in determining the taxation of any lump sum paid to B upon separation from service.

PAR. 2. Paragraph (c) (3) of § 1.105-1 is amended to read as follows:

§ 1.105-1 Amounts attributable to employer contributions.

(c) Contributory plans. * * *

(3) Except as provided in paragraph (c) (2) of § 1.72-15, if the plan provides accident or health benefits as well as other benefits for the employees, and if the respective contributions made by the employer and the employees to provide the accident or health benefits cannot be ascertained, the determination of the portion of the accident or health benefits received under such plan which is attributable to the contributions of the employer shall be made in accordance with the rules of paragraph (d) or (e) of this section on the basis of the contributions of the employer and of the employees to the entire plan.

PAR. 3. Paragraph (a) (3) (i) of § 1.105-4 is amended to read as follows:

§ 1.105-4 Wage continuation plans.

(a) In general. * * *

(3) (i) Section 105(d) applies only to amounts attributable to periods during which the employee would be at work

were it not for a personal injury or sickness. Thus, an employee is not absent from work if he is not expected to work because, for example, he has reached retirement age. If a plan provides that an employee, who is absent from work on account of a personal injury or sickness, will receive a disability pension as long as he is disabled, section 105(d) is applicable to any payments which such an employee receives under this plan before he reaches retirement age, but section 105(d) does not apply to the payments which such an employee receives after he reaches retirement age. See § 1.72-15 for additional rules relating to the tax treatment of disability pensions.

PAR. 4. Paragraph (a) (1) (ii) of § 1.402(a)-1 is amended to read as follows:

§ 1.402(a)-1 Taxability of beneficiary under a trust which meets the requirements of section 401(a).

(a) In general. (1) * * *

(ii) The provisions of section 402(a) relate only to a distribution by a trust described in section 401(a) which is exempt under section 501(a) for the taxable year of the trust in which the distribution is made. The distribution from such an exempt trust when received or made available is taxable to the distributee to the extent provided in section 72 (relating to annuities), except that section 72(e) (3) (relating to the treatment of certain lump sums) shall not apply, and except that certain total distributions described in section 402(a) (2) are taxable as long-term capital gains. For the treatment of such total distributions, see subparagraph (6) of this paragraph. Under certain circumstances, an amount representing the unrealized appreciation in the value of the securities of the employer is excludable from gross income for the year of distribution. For the rules relating to such exclusion, see paragraph (b) of this section. Furthermore, the exclusion provided by section 105(d) is applicable to a distribution from a trust described in section 401(a) and exempt under section 501(a) if such distribution constitutes wages or payments in lieu of wages for a period during which an employee is absent from work on account of a personal injury or sickness. See § 1.72-15 for the rules relating to the tax treatment of accident or health benefits received under a plan to which section 72 applies.

[F.R. Doc. 60-3888; Filed, Apr. 28, 1960; 8:49 a.m.]

FEDERAL RESERVE SYSTEM

[12 CFR Part 220]

[Reg. T]

CREDIT BY BROKERS, DEALERS, AND MEMBERS OF NATIONAL SECURITIES EXCHANGES

Notice of Proposed Rule Making

Correction

In F.R. Doc. 60-3694, appearing at page 3556 of the issue for Saturday, April 23,

1960, the second sentence of § 220.6(d) (2) is corrected to read: "Examples of such successions are: Trustees in bankruptcy and receiver, in place of bankrupts and other insolvents; executors, administrators, and beneficiaries, in place of decedents; successor trustees or other fiduciaries, in place of their predecessors; beneficiaries, in place of trustees or other fiduciaries."

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 29]

INSPECTION OF TOBACCO UNDER THE TOBACCO INSPECTION ACT

Notice of Proposed Rule Making

Notice is hereby given that the United States Department of Agriculture is considering the issuance of an amendment to the regulations governing the inspection of tobacco (7 CFR Part 29), issued pursuant to the authority contained in The Tobacco Inspection Act (49 Stat. 731; 7 U.S.C. 511 et seq.). The proposed amendment eliminates the minimum charges for hogshead, bale or case inspection. Also, changes have been made in the terms of the agreement with respect to the verification or confirmation of the grades assigned at redrying plants and receiving points.

All persons who desire to submit written data, views or arguments in connection with these amendments should file the same in triplicate with the Director, Tobacco Division, Agricultural Marketing Service, United States Department of Agriculture, Room 2096, South Building, Washington 25, D.C., not later than 10 days after publication hereof in the FEDERAL REGISTER. The proposed amendments are as follows:

1. Change paragraphs (b) and (c) of § 29.123 to read as follows:

(b) The fees or charges for hogshead, bale or case inspection shall be the actual total cost including travel expense, per diem allowance and salaries.

(c) The fees or charges for sample inspection shall be the actual total cost including travel expense, per diem allowance and salaries.

2. In Subpart E—Forms, Application and Agreement for Permissive Inspection Service, change paragraph A of § 29.851 to read as follows:

A. *Determination of fees or charges and payments of costs.*

1. Fees or charges for inspection at redrying plants and receiving points shall include travel expense, per diem allowance and salaries: *Provided*, That charges for verification or confirmation of grades previously assigned at redrying plants and receiving points shall not include a charge for salaries if there has been no change in ownership of the tobacco involved and if inspectors performing such verification or confirmation were not recalled to duty for the purpose of performing such service.

2. Charges for inspection at non-designated auction markets shall include travel expense, per diem allowance and salaries.

3. Fees or charges for hogshead, bale or case inspection shall be the actual total cost

including travel expense, per diem allowance and salaries.

4. Fees or charges for sample inspection shall be the actual total cost including travel expense, per diem allowance and salaries.

5. All charges as assessed under paragraphs 1, 2, 3 and 4, shall be increased by 8 percent to cover administrative expenses.

6. It is mutually agreed that AMS will pay all expenses above mentioned from any available appropriation with the agreement

and understanding that AMS shall be reimbursed therefor by the applicant for all expenses so paid by AMS for conducting the work hereunder.

7. The applicant agrees to reimburse the Agricultural Marketing Service for all expenses incurred in the conduct of the services rendered under this application, not later than 15 days from the date of billing, such payment to be made by check, money order, or draft, payable and mailed to the Agricultural Marketing Service, Washington

25, D.C., for deposit to the appropriation from which the expenses were paid.

Done at Washington, D.C., this 26th day of April 1960.

ROY W. LENNARTSON,
*Deputy Administrator,
Agricultural Marketing Service.*

[F.R. Doc. 60-3862; Filed, Apr. 28, 1960;
8:46 a.m.]

Notices

DEPARTMENT OF THE INTERIOR

Bonneville Power Administration CHIEF OF SUPPLY

Redelegations of Authority

The Redelegations of Authority published in the *FEDERAL REGISTER* on December 24, 1959 (24 F.R. 10692) are hereby amended by adding a new section 14 thereto, as follows:

14. *Contracts for experimental conductor, fittings, and hardware.* The Chief of Supply may exercise the authority delegated to the Secretary of the Interior by the Administrator of General Services (24 F.R. 1921) and redelegated to the Bonneville Power Administrator by Secretary's Order No. 2848 (25 F.R. 3343) to negotiate without advertising contracts totaling not more than \$75,000 under section 302(c)(11) of the Federal Property and Administrative Services Act of 1949, as amended, for experimental conductor and related fittings and hardware for use in determining the desirability of the operation of transmission lines at voltages in excess of 345 kv. (Secretary's Order No. 2848, 25 F.R. 3343)

Dated: April 21, 1960.

WM. A. PEARL,
Administrator.

[F.R. Doc. 60-3858; Filed, Apr. 28, 1960;
8:46 a.m.]

DEPARTMENT OF THE TREASURY

Bureau of Customs

[412.1]

NATURAL CAROTENE CONCENTRATE

Proposed Tariff Classification

APRIL 25, 1960.

It appears that natural carotene concentrate is properly classifiable as a chemical compound, not specially provided for, under paragraph 5, Tariff Act of 1930, and dutiable at the reduced rate of 10½ percent ad valorem under that paragraph, as modified, the product apparently no longer being used chiefly for medicinal purposes.

Pursuant to § 16.10a(d) of the Customs Regulations (19 CFR 16.10a(d)), notice is hereby given that there is under review in the Bureau the existing uniform and established practice of classifying natural carotene concentrate as a drug, natural and uncompounded, not edible, not specially provided for, but advanced in condition or value, under paragraph 34 and dutiable at the reduced rate of 5 percent ad valorem under that paragraph, as modified.

Consideration will be given to any relevant data, views, or arguments pertaining to the correct tariff classification of

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this merchandise which are submitted to the Bureau of Customs, Washington 25, D.C., in writing. To assure consideration, such communications must be received in the Bureau not later than 30 days from the publication of this notice. No hearings will be held.

[SEAL]

D. B. STRUBINGER,
Acting Commissioner of Customs.

[F.R. Doc. 60-3886; Filed, Apr. 28, 1960;
8:48 a.m.]

Internal Revenue Service

[Order No. 11 (Rev.)]

DISTRICT DIRECTORS

Delegation of Authority To Accept Certain Offers in Compromise

APRIL 13, 1960.

Pursuant to authority vested in me by Treasury Department Order No. 150-25, dated June 1, 1953, it is hereby ordered:

1. Subject to the limitations contained in applicable regulations and procedures, District Directors are delegated authority, under section 7122 of the Internal Revenue Code, to accept offers in compromise in cases in which the liability sought to be compromised (including any interest, additional amount, addition to the tax, or assessable penalty) is less than \$25,000, and in cases involving specific penalties.

2. This authority may not be redelegated.

3. This order supersedes Delegation Order No. 11, issued December 2, 1955.¹

Effective date: July 1, 1960.

DANA LATHAM,
Commissioner.

[F.R. Doc. 60-3889; Filed, Apr. 28, 1960;
8:49 a.m.]

[Order No. 77]

REGIONAL APPELLATE DIVISIONS AND THEIR OFFICERS

Delegation of Certain Functions

MARCH 29, 1960.

Pursuant to the authority vested in me as Commissioner of Internal Revenue, it is hereby directed as to

1. Assistant Regional Commissioners, Appellate (Chiefs of Regional Appellate Divisions), and Associate Chiefs of the Regional Appellate Divisions:

That in cases under the jurisdiction of Regional Appellate Divisions, the Associate Chiefs, as well as the Chiefs, are authorized, as to cases in which they respectively have authority to determine the tax liability, to prepare, sign on behalf of the Commissioner, and send to the taxpayer by registered or certified mail any statutory notice of deficiency

¹ Delegation Order No. 11 dated December 2, 1955 was filed in 20 F.R. 9870.

prescribed in sections 6212 and 6861 of the Internal Revenue Code of 1954, as amended, and the corresponding provisions of the Internal Revenue Code of 1939, as amended.

2. Assistant Chiefs and Special Assistants to the Chief of Regional Appellate Divisions:

That the authorities delegated in section 1 of this Order likewise are delegated to Assistant Chiefs and Special Assistants in cases in which the net deficiency or the net overassessment determined by the District Director or by the Director of International Operations did not exceed \$50,000 and the determination of the Appellate Division does not involve a net overassessment in excess of \$50,000.

3. This Delegation Order restates in a current document certain authorities heretofore resting in comparable positions and organizational components under Reorganization Order No. 3 dated May 15, 1952,¹ and Reorganization Order No. 17 dated July 7, 1953,² which are hereby superseded and revoked to the extent they concerned the Regional Appellate Divisions.

Effective date: March 29, 1960.

[SEAL]

DANA LATHAM,
Commissioner.

[F.R. Doc. 60-3890; Filed, Apr. 28, 1960;
8:49 a.m.]

[Order No. 75]

REGIONAL APPELLATE DIVISION

Authority in Offers in Compromise

FEBRUARY 18, 1960.

Pursuant to authority vested in me as Commissioner of Internal Revenue, it is ordered that:

1. Each Assistant Regional Commissioner (Appellate), as Chief of the Appellate Division of the region, is authorized and each Associate Chief of the Appellate Division is authorized to determine the disposition to be made of any offer in compromise submitted under the provisions of section 3761 of the Internal Revenue Code of 1939, or section 7122 of the Internal Revenue Code of 1954, in which (a) the proponent has made a written request for Appellate Division consideration or (b) the liability was previously determined by the Appellate Division and the offer is based in whole or in part on doubt as to liability. Each Assistant Chief and each Special Assistant to the Chief is authorized to determine the disposition to be made of any such offer in compromise in which the unpaid amount of tax (including any interest, penalty, additional amount or addition to the tax) is \$50,000 or less.

¹ Reorganization Order No. 3 filed in 17 F.R. 4586.

² Reorganization Order No. 17 filed in 18 F.R. 4102.

2. A determination by the Appellate Division to accept an offer under the provision of paragraph (1) hereof will be subject to my approval if the unpaid amount of tax (including any interest, penalty, additional amount or addition to the tax) is \$5,000 or more.

3. The authorities delegated in paragraph (1) hereof may not be redelegated and are not applicable to cases arising under laws relating to narcotics, smoking opium, marihuana, alcohol, tobacco tax or firearms or to offers in compromise coming within the jurisdiction of the Chief Counsel under existing procedures, rules or delegations.

4. This order supersedes IR-Mimeograph 54-10, dated January 6, 1954, in its entirety, and the delegations of authority in Revenue Ruling 117 (C.B. 1953-1, p. 498) insofar as they apply to Appellate Division personnel.

Effective date: February 18, 1960.

[SEAL] CHARLES I. FOX,
Acting Commissioner.

[F.R. Doc. 60-3891; Filed, Apr. 28, 1960;
8:49 a.m.]

Office of the Secretary

[T.D. 55112]

GHANA

Foreign Discriminating Duties of Tonnage and Imposts With Respect to Certain Vessels of and Imports Suspended and Discontinued

APRIL 22, 1960.

Under date of January 5, 1960, the Government of Ghana gave to the Department of State proof that no discriminating duties of tonnage or imposts are imposed or levied in ports of Ghana upon vessels wholly belonging to citizens of the United States, or upon the produce, manufactures, or merchandise imported in such vessels from the United States, or from any foreign country. The United States Tariff Commission has deferred to the opinion of the Department of State that the proof given is satisfactory within the meaning and for the purposes of section 4228 of the Revised Statutes, as amended (46 U.S.C. 141).

Therefore, by virtue of the authority vested in the President by section 4228 of the Revised Statutes, as amended (46 U.S.C. 141), and delegated to the Secretary of the Treasury by Executive Order No. 10289 of September 17, 1951 (3 CFR Ch. II), I declare that the foreign discriminating duties of tonnage and imposts within the United States are suspended and discontinued, so far as respects vessels of Ghana and the produce, manufactures, or merchandise imported in said vessels into the United States from Ghana or from any other foreign country. This suspension and discontinuance shall take effect from January 5, 1960, and shall continue so long as the reciprocal exemption of vessels belonging to citizens of the United States and

their cargoes shall be continued and no longer.

[SEAL] A. GILMORE FLUES,
Acting Secretary of the Treasury.

[F.R. Doc. 60-3892; Filed, Apr. 28, 1960;
8:49 a.m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

CENTRAL ARIZONA LIVESTOCK AUCTION ET AL.

Proposed Posting of Stockyards

The Chief of the Packers and Stockyards Branch, Livestock Division, Agricultural Marketing Service, United States Department of Agriculture, has information that the livestock markets named below are stockyards as defined in section 302 of the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 202), and should be made subject to the provisions of the act.

Central Arizona Livestock Auction, Casa Grande, Ariz.

Kings Dairy Replacement Auction, Kingstons, Mich.

Mt. Olive Stockyard, Mt. Olive, Miss.

Pryor Livestock Commission Co., Pryor, Okla.

Alleghany County Livestock Market, Inc., Covington, Va.

Russell County Cooperative, Inc., Lebanon, Va.

Othello Livestock Auction, Inc., Bruce, Wash.

Notice is hereby given, therefore, that the said Chief, pursuant to authority delegated under the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 181 et seq.), proposes to issue a rule designating the stockyards named above as posted stockyards subject to the provisions of the act, as provided in section 302 thereof.

Any person who wishes to submit written data, views, or arguments concerning the proposed rule may do so by filing them with the Chief, Packers and Stockyards Branch, Livestock Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D.C., within 15 days after publication hereof in the FEDERAL REGISTER.

Done at Washington, D.C., this 25th day of April 1960.

HARRY L. WILLIAMS,
Acting Chief, Packers and
Stockyards Branch, Livestock
Division, Agricultural Market-
ing Service.

[F.R. Doc. 60-3893; Filed, Apr. 28, 1960;
8:49 a.m.]

DEPARTMENT OF COMMERCE

Federal Maritime Board

PACIFIC WESTBOUND CONFERENCE

Proposal to Re-Establish Contract/Non-Contract Rates on Explosives

Notice is hereby given that the Pacific Westbound Conference has filed with

the Federal Maritime Board, pursuant to General Order 76 (46 CFR 236.3), a statement containing a proposal to re-establish contract/non-contract rates on explosives, on which commodity there has been no contract/non-contract rates for more than 12 months. The proposed contract/non-contract rates will apply to the transportation of explosives by the conference lines from United States and Canadian Pacific ports to Japan, Korea, Taiwan (Formosa), Siberia, Manchuria, China, Hongkong, Indo-China, Thailand, and the Republic of the Philippines. The statement sets forth a spread or differential of \$3.00 per ton between contract/non-contract rates, which is the existing spread or differential between contract/non-contract rates of the conference on other commodities and which previously applied on explosives.

Interested parties may inspect the information contained in such statement, and may submit, within 20 days after publication of this notice in the FEDERAL REGISTER, written statements with reference to the information filed and any objections or other comments thereon, together with request for hearing should such hearing be desired.

By order of the Federal Maritime Board.

Dated: April 26, 1960.

JAMES L. PIMPER,
Secretary.

[F.R. Doc. 60-3874; Filed, Apr. 28, 1960;
8:47 a.m.]

[Docket No. 901]

PACIFIC-ATLANTIC/GUAM TRADE

General Increase in Rates; Notice of Supplemental Orders

Notice is hereby given that the Federal Maritime Board has entered, on the dates indicated, the following First and Second Supplemental Orders to the original order in this proceeding, dated March 21, 1960 which appeared in the FEDERAL REGISTER of April 1, 1960 (25 F.R. 2779):

FIRST SUPPLEMENTAL ORDER, DATED APRIL 7, 1960

It appearing that on March 21, 1960, the Board ordered suspended in full, to and including April 29, 1960, Pacific Far East Line, Inc., Guam Freight Tariff No. 2, F.M.B.-F. No. 2, and at the same time directed that there be instituted an investigation and hearing in this proceeding of the reasonableness and lawfulness of said tariff, which names increased rates, charges, and new rules, regulations and practices affecting such rates and charges applicable on general commodities between U.S. Pacific ports on the one hand, and Guam, Marianas Islands, Midway Island and Wake Island on the other, to become effective March 22, 1960;

It further appearing that on March 3, 1960, there has been filed with the Federal Maritime Board, by American President Lines, Ltd.; Pacific/Guam Tariff No. 5, F.M.B.-F. No. 9, naming increased rates between U.S. Pacific and Hawaiian

Islands ports on the one hand, and Guam, Marianas Islands, Midway Island, Wake Island, Ebeye (Kwajalein Atoll) and Eniwetok on the other; and also Atlantic/Guam Freight Tariff No. 3, F.M.B.-F. No. 8, naming increased rates between Atlantic Coast ports of the United States on the one hand, and Guam, Marianas Islands, Midway Island, Wake Island, Ebeye (Kwajalein Atoll) and Eniwetok on the other, both to become effective April 8, 1960;

It further appearing that the Board, upon consideration of said schedules is of the opinion that the increased rates and charges and the new rules and regulations and practices named therein should be made subject to the suspension and investigation and hearing in this proceeding to determine whether said rates, charges, rules and regulations are reasonable and lawful;

It is ordered, That this proceeding be expanded to include an investigation into and concerning the lawfulness of the rates, charges, rules, regulations, and practices contained in said schedules, with a view to making such findings and orders in the premises as the facts and circumstances shall warrant; and

It is further ordered, That the operation of said schedules be and they are hereby suspended in full, and that the use thereof be deferred to and including April 29, 1960, unless otherwise ordered by the Board; and

It is further ordered, That neither the schedules hereby suspended nor any sought to be altered thereby may be changed until this investigation and suspension proceeding has been disposed of or until the period of suspension has expired, unless otherwise authorized by the Board; and

It is further ordered, That there shall be filed immediately with the Board by the American President Lines, Ltd., a consecutively numbered supplement to tariffs F.M.B.-F. No. 8, and F.M.B.-F. No. 9, which shall reproduce the portion of this Order wherein the suspended designated tariffs are described, and shall state that such tariffs are suspended and that the rates, charges, rules, regulations and practices therein stated may not be used until the twenty-ninth day of April, 1960, unless otherwise authorized by the Board; and that neither the rates, charges, rules, regulations, and practices hereby deferred nor any sought to be altered thereby, may be changed during the period of suspension or any extension thereof, unless otherwise authorized by the Board; and

It is further ordered, That the title of this proceeding be and it is hereby modified to read "General Increases in Rates, Pacific-Atlantic/Guam Trade"; and

It is further ordered, That copies of this Order shall be filed with said tariffs in the Regulation Office of the Federal Maritime Board; that copies hereof be forthwith served upon American President Lines, Ltd., and said carrier be and is hereby made respondent in this proceeding; and

It is further ordered, That copies of this order shall be forthwith served upon all protestants and respondents herein and that this order be published in the FEDERAL REGISTER.

SECOND SUPPLEMENTAL ORDER, DATED APRIL 14, 1960

It appearing that on March 21, 1960, the Board ordered suspended in full, to and including April 29, 1960, Pacific Far East Line, Inc., Guam Freight Tariff No. 2 F.M.B.-F. No. 2, and at the same time directed that there be instituted an investigation and hearing in this proceeding of the reasonableness and lawfulness of said tariff, which names increased rates, charges, and new rules, regulations and practices affecting such rates and charges applicable on general commodities between U.S. Pacific ports on the one hand, and Guam, Marianas, Midway Island and Wake Island on the other, to become effective March 22, 1960;

It further appearing that said Original Order provides in part that "neither the schedule hereby suspended nor any sought to be altered thereby may be changed until this investigation and suspension proceeding has been disposed of or until the period of suspension has expired, unless otherwise authorized by the Board";

It further appearing that on April 4, 1960, Pacific Far East Line, Inc., filed application for special permission seeking authority to publish, post and file, on not less than 15 days' notice, to become effective May 2, 1960, a consecutively numbered revised page to F.M.B.-F. No. 2 in order to establish a reduced rate of \$2,024.00, each, on:

Cabin Cruiser: Length 35 feet, beam 11 feet; weight not to exceed 16,000 pounds.

It further appearing that the Board having found good cause therefor has on April 14, 1960, granted special permission to publish such change on not less than 15 days' notice under Special Permission No. 3827;

It is ordered, That the Original Order herein is modified to the extent necessary to permit the publication and filing of the change covered by such Special Permission No. 3827; and

It is further ordered, That any rates, charges, regulations and practices set forth in the schedule filed pursuant to such special permission shall be subject to the investigation and hearing herein to the same extent as the rates, charges, regulations and practices under schedule cancelled thereby, and that the special permission granted hereby shall be without prejudice to the Board's determination as to the lawfulness of the rates established pursuant hereto; and

It is further ordered, That copies of this order shall be filed with said tariff schedule in the Office of the Federal Maritime Board, and

It is further ordered, That a copy of this order shall be forthwith served upon all respondents herein, and upon all protestants herein; and that this order be published in the FEDERAL REGISTER.

Dated: April 26, 1960.

By order of the Federal Maritime Board.

JAMES L. PIMPER,
Secretary.

[F.R. Doc. 60-3875; Filed, Apr. 28, 1960; 8:47 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration ORGANIZATION AND FUNCTIONS Changes in Addresses

The description of the organization, functions, and procedures, etc., of the Food and Drug Administration as published in the FEDERAL REGISTER of January 17, 1959 (24 F.R. 439), is amended as follows:

1. In section I.B. *Washington headquarters*, the second paragraph is amended to read as set forth below:

The Offices of the Commissioner and Deputy Commissioner, the Divisions of Administrative Management and Public Information, and the Bureau of Enforcement are in the Department of Health, Education, and Welfare Building, Fourth Street and Independence Avenue SW., Washington 25, D.C. The Division of Federal State Relations and the Bureaus of Medicine and Program Planning and Appraisal are located in Wake Hall, Nineteenth Street and Oklahoma Avenue NE., Washington 25, D.C. The Bureau of Field Administration is located in Temporary R Building (Room 2406), Fourth Street and Jefferson Drive SW., Washington 25, D.C. The Bureau of Biological and Physical Sciences and all the Divisions functioning under that Bureau, with the exception of the Division of Cosmetics, are in the South Agriculture Building, Twelfth and C Streets SW., Washington 25, D.C. The Division of Cosmetics is located at 501 First Street SE., Washington 25, D.C.

2. In section I.C. *Field Service*, the following changes are made:

a. The following new address is added to the list of inspection stations listed for the Atlanta District: Room 701, Huntington Building, 168 SE. First Street, Miami 32, Florida (P.O. Box 2018).

b. The address for the Detroit District is changed to read: Detroit District: 1560 East Jefferson Avenue, Detroit 7, Michigan.

Dated: April 22, 1960.

[SEAL] JOHN L. HARVEY,
Deputy Commissioner
of Food and Drugs.

[F.R. Doc. 60-3876; Filed, Apr. 28, 1960; 8:47 a.m.]

CIVIL AERONAUTICS BOARD

[Docket No. 5482 et al.]

KANSAS-OKLAHOMA LOCAL SERVICE CASE

Notice of Oral Argument

Notice is hereby given, pursuant to the Federal Aviation Act of 1958, that oral argument in the above-entitled proceeding is assigned to be held on May 17, 1960, at 10:00 a.m., e.d.s.t., in Room 1027, Universal Building, Connecticut and

Florida Avenues NW., Washington, D.C., before the Board.

Dated at Washington, D.C., April 25, 1960.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F.R. Doc. 60-3877; Filed, Apr. 28, 1960;
8:47 a.m.]

[Docket 9812]

TRANS CARIBBEAN AIRWAYS NON-SUBSIDY MAIL AUTHORIZATION

Notice of Oral Argument

Notice is hereby given, pursuant to the Federal Aviation Act of 1958, that oral argument in the above-entitled proceeding is assigned to be held on May 11, 1960, at 10:00 a.m., e.d.s.t., in Room 1027, Universal Building, Connecticut and Florida Avenues NW., Washington, D.C., before the Board.

Dated at Washington, D.C., April 25, 1960.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F.R. Doc. 60-3878; Filed, Apr. 28, 1960;
8:47 a.m.]

FEDERAL POWER COMMISSION

[Docket No. G-3143 etc.]

ELMER R. LEWIS ET AL.

Notice of Applications and Date of Hearing

APRIL 22, 1960.

Elmer R. Lewis, Docket No. G-3143; Northern Pump Company, Operator, et al., Docket No. G-3290; H. L. Hunt, Docket No. G-4321; J. P. Owen, Operator, et al., Docket No. G-9213; Oil Participations Incorporated, et al., formerly Howard S. Cole, Jr., et al., Docket No. G-10386; Humble Oil & Refining Company, Operator, Docket No. G-11378; Nemours Corporation, Operator, Docket No. G-11399; The Ohio Oil Company, Operator, Docket No. G-13373; United Carbon Company, Inc., Docket No. G-13599; Wright Oil & Gas Company, Docket No. G-13653; Sinclair Oil & Gas Company, Docket No. G-13656; Cities Service Oil Company, Docket No. G-13658; Crescent Production Company, Inc., Docket No. G-13670; Mayfair Minerals, Inc., Operator, Docket No. G-13672; The Atlantic Refining Company, Docket No. G-13673; The Atlantic Refining Company, Docket No. G-13674; Hunt Oil Company, Docket No. G-13682; Union Producing Company, Docket No. G-13684; E. W. Valentine Gas and Oil Company, Docket No. G-13692; Jefferson Lake Sulphur Company, Operator, Docket No. G-14307; Nelson Bunker Hunt Trust Estate, Docket No. G-14443; Lamar Hunt Trust Estate, Operator, Docket No. G-14444; Lamar Hunt Trust Estate, Operator, Docket No. G-14445; Lamar Hunt, Docket No. G-14446; Nelson Bunker Hunt Trust Estate, Docket No. G-14447; William Herbert Hunt Trust Estate, Docket No. G-14448; Wil-

liam Herbert Hunt Trust Estate, Docket No. G-14449; Wendell W. Anderson, et al., Docket No. G-14484; Petroleum Leaseholds, Inc., Operator, et al., Docket No. G-14591; Placid Oil Company, Operator, et al., Docket No. G-14680; Kerr McGee Oil Industries, Inc., Docket No. G-14719; Cabot Carbon Company, Docket No. G-14747; NAFCo Oil and Gas Inc., et al., Docket No. G-14795; Sunray Mid-Continent Oil Company, Docket No. G-14861; Hudgins Oil & Gas Co., Docket No. G-15000; Lendol Rogers, et al., Docket No. G-15106; Lower Nueces River Water Supply District, Docket No. G-15135; Henry Black Drilling Company, Inc., Operator, et al., Docket No. G-15439; The TXL Oil Corporation, Docket No. G-15461; Fred J. Ayes, Operator, et al., Docket No. G-15465; Shell Oil Company, Operator, Docket No. G-15501; MacDonald, Burns and Norris No. 2, Docket No. G-15515; Occidental Petroleum Company, Operator, Docket No. G-15516.

Texaco Seaboard Inc., Docket No. G-15530; Kirby Production Company, Operator, Docket No. G-15531; Southwestern Exploration Consultants, Inc., Operator, et al., Docket No. G-15532; Tidewater Oil Company, Docket No. G-15543; Edwin L. Cox, Docket No. G-15691; Murphy H. Baxter, Docket No. G-15697; Philip Lemon, et al., Docket No. G-15699; Anderson-Prichard Oil Corporation, Operator, Docket No. G-15808; Ambassador Oil Corporation, Operator, et al., Docket No. G-15814; Shoreline Petroleum Corporation, Operator, et al., Docket No. G-15889; Humble Oil & Refining Company, Docket No. G-15913; Sinclair Oil & Gas Company, Operator, Docket No. G-16020; Carl J. Westlund, Operator, et al., Docket No. G-16092; American Climax Petroleum Corporation, Operator, Docket No. G-16095; J. A. Chapman, Operator, et al., Docket No. G-16152; Fowler and Burkhart, Docket No. G-16154; Horizon Oil & Gas Company, Operator, Docket No. G-16155; Parker Petroleum Company, Inc., Operator, et al., Docket No. G-16159; Tex-Star Oil and Gas Corporation, Operator, et al., Docket No. G-16162; Texam Oil Corporation, Operator, et al., Docket No. G-16163; W. V. Hardin, Docket No. G-16170; French Poling Oil and Gas Company, Docket No. G-16174; El Paso Natural Gas Products Company, Docket No. G-16175; Humble Oil & Refining Company, Operator, Docket No. G-16189; Cities Service Oil Company, Operator, et al., Docket No. G-16191; The Ohio Oil Company, Docket No. G-16193; T. H. McCasland, Operator, Docket No. G-16202; H. L. Hunt, Docket No. G-16461; Petroleum, Inc., Operator, et al., G-16770; Edwin L. Cox, Docket No. G-16920; John E. Kirkpatrick d/b/a, Kirkpatrick Oil Company, Operator, Docket No. G-17108; Milton F. Shaffer, Operator, et al., Docket No. G-17177; Monsanto Chemical Company, Operator, Docket No. G-17228; Mound Company, et al., Docket No. G-17499; Huntington-Oklahoma Oil Company and Midway City Gas Company, Docket No. G-17507; Humble Oil & Refining Company, Docket No. G-17570; Shell Oil Company, Docket No. G-17575; Anchor Petroleum Com-

pany, Docket No. G-17577; Kirby Production Company, Docket No. G-17584; Colton & Colton, Operator, et al., Docket No. G-17585; Peel Tree Gas Company, Docket No. G-17618; John E. Lydle, et al., Docket No. G-17619; Floyd Oil & Gas Company, Docket No. G-17620.

Hercules Oil and Gas, Docket No. G-17621; Samedan Oil Corporation, Operator, et al., Docket No. G-17632; Tidewater Oil Company, Docket No. G-17634; Pringle Powder Company d/b/a, Janine Gas Company, Operator, et al., Docket No. G-17636; The Ohio Oil Company, Docket No. G-17637; Tidewater Oil Company, Docket No. G-17743; H. L. Hunt, Docket No. G-17837; Fred Turner, Jr., Docket No. G-17981; Western Petroleum Company, Docket No. G-18146; John H. Trigg, et ux., d/b/a John H. Trigg Company, Docket No. G-18147; Slick Oil Corporation, Docket No. G-18150; John H. Trigg, et ux., Docket No. G-18191; Slade, Inc., Docket No. G-18224; Ken Blackford, Operator, Docket No. G-18249; Franklin Adkins, d/b/a Adkins Drilling Co., Docket No. G-18279; Texas Pacific Coal and Oil Company, Operator, Docket No. G-18303; J. R. Frankel, Docket No. G-18391; May Oil & Gas Company, Docket No. G-18624; Sinclair Oil & Gas Company, Docket No. G-18679; H. N. Burnett, Docket No. G-18832; Tennessee Gas Transmission Company, Docket No. G-18835; Engeo Oil & Gas Company, et al., Docket No. G-18838; R. L. Kirkwood, Docket No. G-18936; Nabob Production Company, et al., Docket No. G-18944; American Petrofina Company of Texas, Operator, et al., Docket No. G-18947; Sweetland Land and Mineral Company, Docket No. G-19000; Stewart & Gouger Drilling Company, et al., Docket No. G-19045; Stewart & Gouger Drilling Company, et al., Docket No. G-19049; W. H. Hudson, Docket No. G-19159; Drift Run Gas & Oil Company, Docket No. G-19160; Allegheny Land and Mineral Company, Docket No. G-19164; Allegheny Land and Mineral Company, Docket No. G-19165; Toto Gas Company, Operator, Docket No. G-19166; DDG Gas and Oil Corporation, Operator, et al., Docket No. G-19171; Tidewater Oil Company, Docket No. G-19174; Anadarko Production Company, Docket No. G-19282; General American Oil Company of Texas, successor to Estate of Joe W. Brown,¹ Docket No. G-19284; Camella Y. Morris No. 1, Docket No. G-19384; Tennessee Gas Transmission Company, Docket No. G-19390; Kansas-Colorado Utilities, Inc., Docket No. G-19543; Midwest Oil Corporation, Operator, et al., Docket No. G-20026; Trunkline Gas Company, Docket No. G-20048; Tennessee Gas Transmission Company, Docket No. G-20203.

Take notice that each of the above Applicants has filed an application for a certificate of public convenience and necessity, pursuant to section 7 of the Natural Gas Act, authorizing each to render service as hereinafter described,

¹ General American Oil Company of Texas and the Estate of Joe W. Brown filed a joint amendment to the application in Docket No. G-19284 requesting that General American Oil Company of Texas be substituted for the Estate of Joe W. Brown as Applicant therein.

subject to the jurisdiction of the Commission, all as more fully represented in the respective applications and amendments and supplements thereto, which are on file with the Commission and open to public inspection.

The respective Applicants produce and propose to sell natural gas for transportation in interstate commerce for resale as indicated below:

Docket No., Field and Location, and Purchaser

- G-3143; W. H. Gobel Field, Floyd County, Ky.; Kentucky West Virginia Gas Co.
 G-3290; Kansas Hugoton Field; Cities Service Gas Co.
 Hugoton Field, Seward, Stevens and Haskell Counties, Kans.; Northern Natural Gas Co.
 Hugoton Field, Finney and Kearny Counties, Kansas.; Kansas-Nebraska Natural Gas Co., Inc.
 Hugoton Field, Finney County, Kans.; Colorado Interstate Gas Co.
 Hugoton Field, Texas County, Okla.; Phillips Petroleum Co.
 Hugoton Field, Texas County, Okla.; Panhandle Eastern Pipe Line Co.
 G-4321; Raceland Field, La Flouche Parish, La.; United Gas Pipe Line Co.
 G-4321; S. W. Speaks Field, Lavaca County, Tex., and Whelan and N. Lansing Fields, Harrison County, Tex.; Texas Eastern Transmission Corp.
 G-9213; Ellis Field, Acadia Parish, La.; United Fuel Gas Co.
 G-10386; West Little Chenier Field, Cameron Parish, La.; American Louisiana Pipe Line Co.
 G-11378; Archie Davis Unit, Ada Field, Webster Parish, La.; Arkansas Louisiana Gas Co.
 G-11399; Carthage Field, Panola County, Tex.; Arkansas Louisiana Gas Co. and Tennessee Gas Transmission Co.
 G-13373; Brown "A-1" Sand Unit, Phoenix Field, Calcasieu Parish, La.; United Gas Pipe Line Co.
 G-13599; Northwest Eva Field, Texas County, Okla.; Colorado Interstate Gas Co.
 G-13653; DeKalb District, Gilmer County, W. Va.; Hope Natural Gas Co.
 G-13656; Greenwood Field, Baca County, Colo.; Colorado Interstate Gas Co.
 G-13658; Hugoton Field, Morton County, Kans.; Panhandle Eastern Pipe Line Co.
 G-13670; Colquitt Field, Claiborne Parish, La.; Arkansas Louisiana Gas Co.
 G-13672; Hidalgo Field, Hidalgo County, Tex.; Texas Eastern Transmission Corp.
 G-13673; South Blanco and Aztec Field, San Juan and Rio Arriba Counties, N. Mex.; Pacific Northwest Pipe Corp.
 G-13674; Ignacio and North Blanco Fields, La Plata County, Colo., Pacific Northwest Pipeline Co.
 G-13682; South Nome Field, Jefferson County, Tex.; Texas Eastern Transmission Corp.
 G-13684; Second Bayou Field, Cameron Parish, La.; American-Louisiana Pipe Line Co.
 G-13692; Murphy District, Ritchie County, W. Va.; Hope Natural Gas Co.
 G-14307; North Ellis, Ellis and Maxie Fields, Acadia Parish, La.; Transcontinental Gas Pipeline Corp., United Fuel Gas Co., and Texas Gas Transmission Corp.
 G-14443; Lucky Field, Bienville Parish, La.; Texas Eastern Transmission Corp.
 G-14444; Lucky Field, Bienville Parish, La.; Texas Eastern Transmission Corp.
 G-14445; Lucky Field, Bienville Parish, La.; Texas Eastern Transmission Corp.
 G-14446; Lucky Field, Bienville Parish, La.; Texas Eastern Transmission Corp.
 G-14447; Lucky Field, Bienville Parish, La.; Texas Eastern Transmission Corp.
 G-14448; Lucky Field, Bienville Parish, La.; Texas Eastern Transmission Corp.
 G-14449; Lucky Field, Bienville Parish, La.; Texas Eastern Transmission Corp.
 G-14484; Mocane Field, Beaver County, Okla.; Colorado Interstate Gas Co.
 G-14591; Erath Field Vermillion Parish, La.; United Fuel Gas Co.
 G-14680; Lucky Field, Bienville Parish, La.; Texas Eastern Transmission Corp.
 G-14719; Camrick Southeast Pool, Texas County, Okla.; Natural Gas Pipeline Co. of America.
 G-14747; Chunn Field, Ochiltree County, Tex.; Northern Natural Gas Co.
 G-14795; Acreage in Ochiltree County, Tex.; Northern Natural Gas Co.
 G-14861; Rodessa Field, Miller County, Ark., and Caddo Parish, La.; Arkansas Louisiana Gas Co.
 G-15000; Magnet-Withers Field, Wharton County, Tex.; Tennessee Gas Transmission.
 G-15108; Washington District, Calhoun County, W. Va.; Hope Natural Gas Co.
 G-15135; Lou Ella Field, Jim Wells, San Patricio and Live Oak Counties, Tex.; Trunkline Gas Co.
 G-15439; Spraberry Trend Area, Upton County, Tex.; El Paso Natural Gas Co.
 G-15461; Sweenie Peck Field, Midland County, Tex.; El Paso Natural Gas Co.
 G-15465; Acreage in Cowley County, Kans.; Cities Service Gas Co.
 G-15501; West Waka Field, Ochiltree County, Tex.; Northern Natural Gas Co.
 G-15515; Keyes Field, Cimarron County, Okla.; Colorado Interstate Gas Co.
 G-15516; Dakota Mesaverde and Pictured Cliffs Formations, La Plata County, Colo., and Rio Arriba County, N. Mex.; Pacific Northwest Pipeline Co.
 G-15530; South Lake Trammel Field, Nolan County, Tex.; West Lake Natural Gasoline Co.
 G-15531; Acreage in Morton County, Kans.; Panhandle Eastern Pipe Line Co.
 G-15532; Asphaltum Field, Jefferson County, Okla.; Lone Star Gas Co.
 G-15543; South Forgan Field, Beaver County, Okla.; Panhandle Eastern Pipe Line Co.
 G-15691; Camrick Field, Texas County, Okla.; Natural Gas Pipeline Co. of America.
 G-15697; Azalea Field, Midland County, Tex.; Phillips Petroleum Co.
 G-15699; Union District, Ritchie County, W. Va.; Hope Natural Gas Co.
 G-15808; Witcher-Munger Field, Oklahoma County, Okla.; Champlin Oil & Refining Co.
 G-15814; Camrick Field, Texas County, Okla.; Kansas Nebraska Natural Gas Co., Inc.
 G-15889; Coletto Creek Field, Victoria County, Tex.; Coastal States Gas Producing Co.
 G-15913; Acreage in Edwards County, Kans.; Northern Natural Gas Co.
 G-16020; East Spearman and Horizon, Morrow Fields, Hansford and Ochiltree Counties, Tex.; Northern Natural Gas Co.
 G-16092; Spayberry Trend Field, Upton County, Tex.; El Paso Natural Gas Co.
 G-16095; Bar X Area, Mesa County, Colo.; Pacific Northwest Pipeline Corp.
 G-16152; Acreage in Grant County, Okla.; Consolidated Gas Utilities Corp.
 G-16154; Sherman District, Calhoun County, W. Va.; Hope Natural Gas Co.
 G-16155; Dude Wilson Field, Ochiltree County, Tex.; Northern Natural Gas Co.
 G-16159; Acreage in Wheeler County, Tex.; El Paso Natural Gas Co.
 G-16162; Placido Field, Victoria County, Tex.; Tennessee Gas Transmission Co.
 G-16163; Marsden Area, Live Oak County, Tex.; Texas Eastern Transmission Corp.
 G-16170; Cabeza Creek Area, Goliad County, Tex.; United Gas Pipe Line Co.
 G-16174; Sherman District, Calhoun County, W. Va.; Hope Natural Gas Co.
 G-16175; Acreage in Arriba County, N. Mex.; El Paso Natural Gas Co.
 G-16189; South Four Lakes Field, Lea County, N. Mex.; El Paso Natural Gas Co.
 G-16191; Acreage in Texas County, Okla.; Panhandle Eastern Pipe Line Co.
 G-16193; Rosston Area, Beaver County, Okla.; Northern Natural Gas Co.
 G-16202; Cruce Field, Stephens County, Okla.; Lone Star Gas Co.
 G-16461; Pecos Valley Devonian Field, Pecos County, Tex.; El Paso Natural Gas Co.
 G-16770; Spruce Field, Weld County, Colo.; Kansas-Nebraska Natural Gas Co., Inc.
 G-16920; Camrick Southeast Pool, Texas County, Okla.; Natural Gas Pipeline Co. of America.
 G-17108; Tussy Field, Carter County, Okla.; Lone Star Gas Co.
 G-17177; Smitty Well No. 1, Hugoton Field, Sherman County, Tex.; Phillips Petroleum Co.
 G-17228; Sligo Field, Bossier Parish, La.; Arkansas Louisiana Gas Co.
 G-17499; Decker's Prairie Field, Harris County, Tex.; Tennessee Gas Transmission Co.
 G-17507; Long Branch Field, Martin County, Ky.; United Fuel Gas Co.
 G-17570; Northeast Gibson Field, Terrebonne Parish, La.; United Gas Pipe Line Co.
 G-17575; Autwine Field, Kay County, Okla.; Wunderlich Development Co.
 G-17577; Laverne Field, Harper County, Okla.; Michigan Wisconsin Pipe Line Co.
 G-17584; Camrick Field, Texas County, Okla.; Natural Gas Pipeline Co. of America.
 G-17585; McFaddin Field, Refugio County, Tex.; United Gas Pipe Line Co.
 G-17618; Acreage in Barbour County, W. Va.; Hope Natural Gas Co.
 G-17619; Annamoria Field, W. Va.; Hope Natural Gas Co.
 G-17620; DeKalb District, Gilmer County, W. Va.; Hope Natural Gas Co.
 G-17621; Murphy District, Ritchie County, W. Va.; Hope Natural Gas Co.
 G-17632; Midland-Eastwood Field, Acadia Parish, La.; United Gas Pipe Line Co.
 G-17634; North Holly Beach Field, Cameron Parish, La.; American Louisiana Pipe Line Co.
 G-17636; Road Fork of Tug River Field, Pipe County, Ky.; Columbian Fuel Corp.
 G-17637; Hugoton Field, Finney County, Kans.; Northern Natural Gas Co.
 G-17743; Langile Mattix Field, Lea County, N. Mex.; El Paso Natural Gas Co.
 G-17837; Amacker-Tippett Field, Upton County, Tex.; El Paso Natural Gas Co.
 G-17981; Eumont Pool, Lea County, N. Mex.; Permian Basin Pipeline Co.
 G-18146; Langile-Mattix Field, Lea County, N. Mex.; El Paso Natural Gas Co.
 G-18147; Blanco-Mesaverde Field, San Juan County, N. Mex.; Southern Union Gathering Co.
 G-18150; The Ehlers-Wolters Gas Unit, Yoward Field, Bee County, Tex.; Texas Eastern Transmission Corp.
 G-18191; Blanco (Mesa Verde) Field, San Juan County, N. Mex.; El Paso Natural Gas Co.
 G-18224; Spraberry Trend Area, Glasscock and Regan Counties, Tex.; El Paso Natural Gas Co.
 G-18249; Otero Field, Rio Arriba County, N. Mex.; El Paso Natural Gas Co.
 G-18279; Butler District, Wayne County, W. Va.; United Fuel Gas Co.
 G-18303; Eumont Pool, Lea County, N. Mex.; El Paso Natural Gas Co.
 G-18391; East Lake Palourde Field, Assumption Parish, La.; Texas Gas Transmission Corp.
 G-18624; Birch District, Braxton County, W. Va.; Equitable Gas Co.
 G-18679; Southeast Rayne Field, Lafayette Parish, La.; Transcontinental Gas Pipe Line Corp.
 G-18832; West Panhandle Field, Hutchinson County, Tex.; Frank C. Henderson Trust No. 2 and Elizabeth P. Henderson Trust No. 2.

G-18835; Armstrong Field, Logan County, Colo.; Kansas-Nebraska Natural Gas Inc.

G-18838; Willmann Field, San Patricio County, Tex.; Coastal States Gas Producing Co.

G-18936; Oakville Area, Live Oak County, Tex.; Transcontinental Gas Pipe Line Corp.

G-18944; Quiduno Field, Roberts County, Tex.; Natural Gas Pipeline Co. of America.

G-18947; East Mathis Field, San Patricio County, Tex.; Coastal States Gas Producing Co.

G-19000; Butler District, Wayne County, W. Va.; United Fuel Gas Co.

G-19045; N. W. Orange Grove Field, Jim Wells County, Tex.; Orange Grove Gas Gathering Co.

G-19049; N.W. Orange Grove Field, Jim Wells County, Tex.; Orange Grove Gas Gathering Co.

G-19159; Acreage in San Juan County, N. Mex.; El Paso Natural Gas Co.

G-19160; Auburn District, Ritchie County, W. Va.; Equitable Gas Co.

G-19164; Union District, Ritchie County, W. Va.; Equitable Gas Co.

G-19165; Union District, Ritchie County, W. Va.; Equitable Gas Co.

G-19166; Acreage in Kay County, Okla.; Wunderlich Development Co.

G-19171; North Hostetter Field, McMullen County, Tex.; Texas Eastern Transmission Corp.

G-19174; Chalk Hill Field, Rust County, Tex.; Texas Eastern Transmission Corp.

G-19282; Hugoton Field, Stevens County, Kans.; Panhandle Eastern Pipe Line Co.

G-19284; Valentine Field, Lafourche Parish, La.; United Gas Pipe Line Co.

G-19384; Freemans Creek District, Lewis County, W. Va.; Equitable Gas Co.

G-19390; Southeast Light Field, Beaver County, Okla.; Panhandle Eastern Pipe Line Co.

G-19543; Hugoton Field, Stevens County, Kans.; Panhandle Eastern Pipe Line Co.

G-20026; Ellis Field, Acadia Parish, La.; United Fuel Gas Co.

G-20048; Tidehaven Field, Matagorda County, Tex.; Texas Eastern Transmission Corp.

G-20203; Dexter Field, Mation and Wolt-hall Counties, Miss.; Southern Natural Gas Co.

The applications in Docket Nos. G-16461, G-18391 and G-18679 have been heretofore duly noticed and scheduled for hearing, but subsequently severed and continued for further disposition. Said applications are included herein and consolidated for the purpose of hearing.

The public convenience and necessity require that these matters should be heard on a consolidated record and disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on May 26, 1960, at 9:30 a.m., e.d.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such applications: *Provided, however*, That the Commission may after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein

provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before May 13, 1960. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made: *Provided, further*, If a protest, petition to intervene or notice of intervention be timely filed in any of the above dockets, the above hearing date as to the docket will be vacated and a new date for hearing will be fixed as provided in § 1.20(b) (2) of the rules of practice and procedure.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 60-3880; Filed, Apr. 28, 1960;
8:48 a.m.]

[Docket Nos. RI60-208—RI60-217]

PAN AMERICAN PETROLEUM CORP. ET AL.

Order Amending "Order Permitting Filing, Providing for Hearings on and Suspension of Proposed Changes in Rates, and Allowing Increased Rate To Become Effective Subject to Refund"

APRIL 22, 1960.

Pan American Petroleum Corporation, Docket Nos. RI60-208, -209; Pan American Petroleum Corporation (Operator), et al., Docket No. RI60-210; E. J. Hudson, et al., Docket No. RI60-211; Elliott Production Company, Docket No. RI60-212; Western Natural Gas Company, Docket No. RI60-213; The British-American Oil Producing Company, Docket No. RI60-214; Sinclair Oil & Gas Company, Docket No. RI60-215; Socony Mobil Oil Company, Inc., Docket No. RI60-216; The Shamrock Oil and Gas Corporation (Operator), Docket No. RI60-217.

On March 25, 1960, the Commission issued its order in the above-designated proceedings suspending certain proposed increased rates. The order included a list of the rates presently in effect under the rate schedules involved in the proceedings. These rates, appearing under the "Rate in Effect" column of that order, describe only what the respondents claim to be the presently effective rates. The inclusion of the list was not intended as a Commission determination that the listed rates are the presently effective legal rates. Our order should be amended to reflect the purport of the "Rate in Effect" column.

The Commission finds: The suspension order issued March 25, 1960, in the proceedings in Docket Nos. RI60-208 through RI60-217 should be amended to include a footnote "2A" to the "Rate in Effect" column, as hereinafter ordered.

The Commission orders: The Commission's suspension order issued March 25, 1960, in the proceedings in Docket Nos. RI60-208 through RI60-217 is amended

to include a footnote "2A" to the "Rate in Effect" column appearing on pages 2 and 3 of that order, as follows: "2A The rates listed in this column are those claimed by the respondents to be the presently effective rates. The reflection of these rates in this manner is not a Commission determination that these are the presently effective legal rates."

By the Commission.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 60-3881; Filed, Apr. 28, 1960;
8:48 a.m.]

[Docket No. G-19440 etc.]

TEXACO INC., ET AL.

Notice of Applications and Date of Hearing

APRIL 22, 1960.

Texaco Inc., Docket No. G-19440; Permian Basin Pipeline Company, Docket No. G-19671; The Atlantic Refining Company, Docket No. G-19680; Shell Oil Company, Docket No. G-19788.

Take notice that Permian Basin Pipeline Company (Permian), a Delaware corporation with a principal office in Omaha, Nebraska, filed in Docket No. G-19671 on October 9, 1959, an application pursuant to section 7 of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of a metering station and approximately 5.5 miles of 6-inch lateral supply pipeline to extend northwesterly from a point of connection with its existing 20-inch pipeline in Crockett County, Texas, which connects Permian's Mitchell carbon dioxide removal plant and the Plymouth Compressor Station, to the Crossett Gasoline Plant located in Upton County, Texas (Permian Basin). Permian proposes to purchase and receive residue gas from said Crossett Plant which is jointly owned by Shell Oil Company (Shell), Texaco Inc. (Texaco) and The Atlantic Refining Company (Atlantic).¹

The estimated total initial cost of the proposed facilities is \$140,566. The construction will be financed from funds on hand. The proposal is more fully described in an application on file with the Commission and open to public inspection.

On September 10, 1959, October 6, 1959, and on October 15, 1959, Texaco Inc. (Texaco), a Delaware corporation with a principal office in Houston, Texas, The Atlantic Refining Company (Atlantic), a Pennsylvania corporation with a principal office in Dallas, Texas and Shell Oil Company (Shell), a Delaware corporation with a principal office in New York, New York, filed in Docket Nos. G-19440, G-19680 and G-19788, respectively, their applications pursuant to section 7 of the Natural Gas Act, for certificates of public convenience and necessity authorizing the sales of gas to

¹ Percentum of ownership is as follows: Shell, Operator—67 percent; Texaco Inc.—28 percent; Atlantic—5 percent. Permian states that it is advised that said plant will be completed on or about October 15, 1959.

Permian. Such sales are to be made pursuant to separate contracts dated August 18, 1959, September 14, 1959 and August 3, 1959, respectively. The contracts have similar terms and provisions. Shell, Texaco and Atlantic are the sole signatory seller parties to their respective contracts. The foregoing proposals are more fully described in the application on file with the Commission and open to public inspection.

These related matters should be heard on a consolidated record and disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on May 31, 1960, at 9:30 a.m., e.d.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such applications: *Provided, however*, That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before May 20, 1960. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIE,
Secretary.

[F.R. Doc. 60-3882; Filed, Apr. 28, 1960;
8:48 a.m.]

FEDERAL RESERVE SYSTEM

FIRST BANK STOCK CORPORATION

Order Denying Application for Prior Approval Under Bank Holding Company Act

In the Matter of the Application of First Bank Stock Corporation for approval of acquisition of voting shares of Eastern Heights State Bank of Saint Paul, St. Paul, Minnesota (Docket No. BHC-47).

There having come before the Board of Governors pursuant to section 3(a) (2) of the Bank Holding Company Act of 1956 (12 USC 1843) and section 4(a) (2) of the Board's Regulation Y (12 CFR 222.4(a)(2)), an application on behalf of First Bank Stock Corporation, Minneapolis, Minnesota, for the Board's prior approval of the acquisition of 1,950 voting shares of Eastern Heights State Bank of Saint Paul, St. Paul, Minnesota;

a public hearing on said application having been held pursuant to section 7(a) of the Board's Regulation Y (12 CFR 222.7(a)); opportunity having been afforded the parties to file proposed findings and conclusions; the Hearing Officer having filed a Report and Recommended Decision in which he recommended that said application be denied; oral argument on the matter having been held before the Board; and all such steps having been taken in accordance with the Board's rules of practice for formal hearings (12 CFR Part 263);

It is hereby ordered, For the reasons set forth in the accompanying Statement¹ of the Board of this date, that the application of First Bank Stock Corporation be and hereby is denied.

Dated at Washington, D.C., this 22d day of April 1960.

By order of the Board of Governors.

[SEAL] MERRITT SHERMAN,
Secretary.

[F.R. Doc. 60-3865; Filed, Apr. 28, 1960;
8:46 a.m.]

FIRST VIRGINIA CORPORATION

Notice of Tentative Decision on Application for Prior Approval of Acquisition by a Bank Holding Company of Voting Shares of a Bank

Notice is hereby given that, pursuant to section 3(a) of the Bank Holding Company Act of 1956, The First Virginia Corporation, Arlington, Virginia, a bank holding company, has applied for the Board's prior approval of the acquisition of 3,107 or more of the 4,000 voting shares of The Purcellville National Bank, Purcellville, Virginia. Information relied upon by the Board in making its tentative decision is summarized in the Board's Tentative Statement of this date, which is attached hereto and made a part hereof,² and which is available for inspection at the Office of the Board's Secretary, at all Federal Reserve Banks, and at the Office of the Federal Register.

The record in this proceeding to date consists of the application, the Board's letter to the Comptroller of the Currency inviting his views and recommendations on the application, the reply of the Comptroller, this Notice of Tentative Decision, and the facts set forth in the Board's Tentative Statement.

For the reasons set forth in the Tentative Statement, the Board proposes to grant the application.

Notice is further given that any interested person may, not later than fifteen (15) days after the publication of this notice in the FEDERAL REGISTER, file with the Board in writing any comments upon or objections to the Board's proposed action. Communications should be addressed to the Secretary, Board of Governors of the Federal Reserve System, Washington 25, D.C.

¹ Filed as part of the original document. Copies available upon request to the Board of Governors of the Federal Reserve System, Washington 25, D.C., or to any Federal Reserve Bank.

² Filed as part of the original document.

Following expiration of the said 15-day period, the Board's Tentative Decision will be made final by order to that effect, unless for good cause shown other action is deemed appropriate by the Board.

Dated at Washington, D.C., this 22d day of April 1960.

By order of the Board of Governors.

[SEAL] MERRITT SHERMAN,
Secretary.

[F.R. Doc. 60-3866; Filed, Apr. 28, 1960;
8:46 a.m.]

FEDERAL TRADE COMMISSION

GUIDES AGAINST DECEPTIVE ADVERTISING OF GUARANTEES

The following Guides have been adopted by the Federal Trade Commission for the use of its staff in evaluation of the advertising of guarantees. They have been released to the public in the interest of education of the businessman and the consumer and to obtain voluntary, simultaneous and prompt cooperation by those whose practices are subject to the jurisdiction of the Federal Trade Commission.

The Guides enumerate the major principles applicable to the advertising of guarantees although they do not purport to be all-inclusive and do not attempt to define the exact border lines between compliance with and violation of the law.

The Federal Trade Commission Decisions, upon which these Guides are based, indicate that the major difficulty with this type of advertising has been the failure to state adequately what the guarantee is. Concerning this, an appellate court stated: "Ordinarily the word, guarantee, or warrantee, is incomplete unless it is used in connection with other explanatory words. To say a * * * [product] or other subject is guaranteed is meaningless. What is the guarantee? The answer to this question gives meaning to the word, 'guaranteed.'"

The Guides have application not only to "guarantees" but also to "warranties," to purported "guarantees" and "warranties," and to any promise or representation in the nature of a "guarantee" or "warranty."

Adversary actions against those who engage in deceptive advertising of guarantees and whose practices are subject to Commission jurisdiction are brought under the Federal Trade Commission Act (15 U.S.C., Secs. 41-58). Section 5 of the Act declares unlawful "unfair methods of competition in commerce and unfair or deceptive acts or practices in commerce."

THE GUIDES

In determining whether terminology and direct or implied representations concerning guarantees, however made, i.e., in advertising or otherwise, in connection with the sale or offering for sale of a product, may be in violation of the Federal Trade Commission Act, the following general principles will be used:

I. Guarantees in general. In general, any guarantee in advertising shall clearly and conspicuously disclose:

(a) *The nature and extent of the guarantee.* This includes disclosure of:

(1) What product or part of the product is guaranteed,

(2) What characteristics or properties of the designated product or part thereof are covered by, or excluded from, the guarantee,

(3) What is the duration of the guarantee,

(4) What, if anything, anyone claiming under the guarantee must do before the guarantor will fulfill his obligation under the guarantee, such as return of the product and payment of service or labor charges; and

(b) *The manner in which the guarantor will perform.* This consists primarily of a statement of exactly what the guarantor undertakes to do under the guarantee. Examples of this would be repair, replacement, refund. If the guarantor or the person receiving the guarantee has an option as to what may satisfy the guarantee this should be set out; and

(c) *The identity of the guarantor.* The identity of the guarantor should be clearly revealed in all advertising, as well as in any documents evidencing the guarantee. Confusion of purchasers often occurs when it is not clear whether the manufacturer or the retailer is the guarantor.

II. Prorata adjustment of guarantees. Many guarantees are adjusted by the guarantor on a prorata basis. The advertising of these guarantees should clearly disclose this fact, the basis on which they will be prorated, e.g., the time for which the guaranteed product has been used, and the manner in which the guarantor will perform.

If these guarantees are to be adjusted on the basis of a price other than that paid by the purchaser, this price should be clearly and conspicuously disclosed.¹

Example. "A" sells a tire with list price of \$48 to "B" for \$24, with a 12 months guarantee. After 6 months use the tire proves defective. If "A" adjusts on the basis of the price "B" paid, \$24, "B" will only have to pay ½ of \$24, or \$12, for a new tire. If "A" instead adjusts on the basis of list price, "B" will owe ½ of \$48, or \$24, for a new tire. The guarantor would be required to disclose here the following: That this was a 12 months guarantee, that a list price of \$48 would be used in the adjustment, that there would be an adjustment on the basis of the time that the tire was used, and that he would not pay the adjusted amount in cash, but would make an adjustment on a new tire.

III. "Satisfaction or your money back" representations. "Satisfaction or your money back," "10 day free trial," or similar representations will be construed as a guarantee that the full purchase price will be refunded at the option of the purchaser.

If this guarantee is subject to any conditions or limitations whatsoever, they

¹ Guarantees which provide for an adjustment based on a fictitious list price should not be used even where adequate disclosure of the price used is made.

shall be set forth as provided for in Guide I.

Example. A rose bush is advertised under the representation "Satisfaction or Your Money Back." The guarantor requires return of the product within one year of purchase date before he will make refund. These limitations, i.e., "return" and "time" shall be clearly and conspicuously disclosed in the ad.

IV. Lifetime guarantees. If the words "Life," "Lifetime," or the like, are used in advertising to show the duration of a guarantee, and they relate to any life other than that of the purchaser or original user, the life referred to shall be clearly and conspicuously disclosed.

Example. "A" advertised that his carburetor was guaranteed for life, whereas his guarantee ran for the life of the car in which the carburetor was originally installed. The advertisement is ambiguous and deceptive and should be modified to disclose the "life" referred to.

V. Savings guarantees. Advertisements frequently contain representations of guarantees that assure prospective purchasers that savings may be realized in the purchase of the advertiser's products.

Some typical advertisements of this type are "Guaranteed to save you 50%," "Guaranteed never to be undersold," "Guaranteed lowest price in town."

These advertisements should include a clear and conspicuous disclosure of what the guarantor will do if the savings are not realized, together with any time or other limitations that he may impose.

Example. "Guaranteed lowest price in town" might be accompanied by the following disclosure:

"If within 30 days from the date that you buy a sewing machine from me, you purchase the identical machine in town for less and present a receipt therefor to me, I will refund your money."

VI. Guarantees under which the guarantor does not or cannot perform. A seller or manufacturer should not advertise or represent that a product is guaranteed when he cannot or does not promptly and scrupulously fulfill his obligations under the guarantee.

A specific example of refusal to perform obligations under the guarantee is use of "Satisfaction or your money back" when the guarantor cannot or does not intend promptly to make full refund upon request.

VII. Guarantee as a misrepresentation. Guarantees are often employed in such a manner as to constitute representations of material facts. If such is the case, the guarantor not only undertakes to perform under the terms of the guarantee, but also assumes responsibility under the law for the truth of the representations made.

Example 1. "Guaranteed for 36 months" applied to a battery is a representation that the battery can normally be expected to last for 36 months and should not be used in connection with a battery which can normally be expected to last for only 18 months.

Example 2. "Guaranteed to grow hair or money back" is a representation that the

product will grow hair and should not be used when in fact such product is incapable of growing hair.

Example 3. "Guaranteed lowest prices in town" is a representation that the advertiser's prices are lower than the prices charged by all others for the same products in the same town and should not be used when such is not the fact.

Example 4. "We guarantee you will earn \$500 a month" is a representation that prospective employees will earn a minimum of \$500 each month and should not be used unless such is the fact.

Nothing contained in these Guides relieves any party subject to a Commission cease and desist order or stipulation from complying with the provisions of such order or stipulation. The Guides do not constitute a finding in and will not affect the disposition of any formal or informal matter before the Commission.

Issued: April 27, 1960.

By direction of the Commission.

[SEAL] ROBERT M. PARRISH,
Secretary.

[F.R. Doc. 60-3918; Filed, Apr. 28, 1960; 8:51 a.m.]

HOUSING AND HOME FINANCE AGENCY

Office of the Administrator

URBAN RENEWAL COMMISSIONER AND HHFA REGIONAL ADMINISTRATORS

Amendment of Delegation of Authority With Respect to Slum Clearance and Urban Renewal Program, Demonstration Grant Program, and Urban Planning Grant Program

The delegation of authority with respect to the slum clearance and urban renewal program, demonstration and urban planning grant programs, effective as of December 23, 1954, as amended,¹ is hereby further amended in the following respects:

1. Subparagraph 3(a) is redesignated as paragraph 3 and amended to read:

3. The Commissioner, and the HHFA Regional Administrator within his respective Region, each is further authorized to administer the provisions of section 314 of the Housing Act of 1954 (68 Stat. 629, 42 U.S.C. 1452a), with respect to grants for developing, testing, and reporting methods and techniques, and carrying out demonstrations and other

¹ 20 F.R. 428, published Jan. 19, 1955, as amended at 20 F.R. 4275, June 17, 1955; 21 F.R. 1468, Mar. 7, 1956; 21 F.R. 3038, May 5, 1956; 21 F.R. 5385, July 18, 1956; 21 F.R. 5471, July 20, 1956; 22 F.R. 2887, Apr. 24, 1957; 22 F.R. 4105, June 11, 1957; 23 F.R. 1202, Feb. 26, 1958; 23 F.R. 1611, Mar. 6, 1958; 23 F.R. 4820, June 28, 1958; 23 F.R. 8413, Oct. 30, 1958; 23 F.R. 9078, Nov. 21, 1958; 23 F.R. 9399, Dec. 4, 1958; 24 F.R. 242, Jan. 9, 1959; 24 F.R. 5815, July 21, 1959; 24 F.R. 8451, Oct. 17, 1959; 24 F.R. 9634, Dec. 2, 1959; 25 F.R. 991, Feb. 4, 1960; 25 F.R. 1081, Feb. 6, 1960; and 25 F.R. 3227, Apr. 14, 1960.

² The above guarantees may constitute affirmative representations of fact and, in this respect, are governed by Guide VII.

activities for the prevention and elimination of slums and urban blight, except in the case of an HHFA Regional Administrator, the authority to:

- (a) Approve proposals and applications for demonstration grants;
- (b) Approve allocation orders and amendatory allocation orders;
- (c) Suspend or terminate Federal assistance to projects;
- (d) Make determinations with respect to non-compliances or defaults under contracts;
- (e) Approve demonstration project reports for publication.

2. Paragraph 6 is revoked.

3. Paragraphs 4 and 5 are renumbered as paragraphs 5 and 6.

4. Subparagraphs 3(b) and (c) are redesignated as subparagraphs 4 (a) and (b) and revised to read:

4. The Commissioner is further authorized to:

(a) Designate any officer or employee of the Urban Renewal Administration to be acting head of any subunit of said Administration with power to perform the functions of the appointed head of the unit during the absence or disability of the appointed head of the unit;

(b) Approve a redevelopment plan or an urban renewal plan as required by the proviso under section 220(d)(1)(A) of the National Housing Act (12 U.S.C. 1715 k(d)(1)(A)).

Effective as of the 29th day of April 1960.

[SEAL] NORMAN P. MASON,
Housing and Home Finance
Administrator.

[F.R. Doc. 60-3883; Filed, Apr. 28, 1960;
8:48 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 24NY-4828]

HERMETIC SEAL CORP.

Order Temporarily Suspending Exemption, Statement of Reasons Therefor, and Notice of Opportunity for Hearing

APRIL 25, 1960.

I. Hermetic Seal Corporation (issuer), a New Jersey Corporation, South Sixth Street, Newark, New Jersey, filed with the Commission on March 9, 1959 a notification on Form 1-A and an offering circular relating to the proposed stock offering of 100,000 shares of 10¢ par value common stock or \$300,000 in the aggregate for the purpose of obtaining an exemption from the registration requirements of the Securities Act of 1933, as amended, pursuant to the provisions of section 3(b) and Regulation A promulgated thereunder.

II. The Commission has reasonable cause to believe that:

A. The offering circular contains untrue statements of material facts and omits to state material facts necessary in order to make the statements made,

in the light of the circumstances under which they are made, not misleading, particularly with respect to:

1. The statement that the offering price was \$3 per share, when numerous shares which were part of the offering were sold at prices in excess thereof.

2. The failure to disclose that the distribution would be made in part through persons related to and associated with the underwriters, other members of the selling group, broker-dealers and management of the issuer.

3. The failure to disclose that Henry Sandkuhl's shares were issued to him at a discount for services.

4. The failure to disclose material facts relating to the prospective acquisition of O.K. Electronics Corp. and Thermal Relay Corp.

5. The failure to disclose accurately the proposed use of proceeds.

B. The sales literature used by the issuer contains the untrue statement of material fact that there was a registration in effect with regard to the securities offered.

C. No exemption is available under this regulation for the securities purported to be offered hereunder in that the aggregate amount at which such issue was offered to the public exceeded \$300,000.

D. The terms and conditions of Regulation A have not been complied with in that:

1. An offering circular was not furnished to certain purchasers pursuant to Rule 256 in connection with sales made pursuant to this offering.

2. Securities which were part of the offering were sold to persons in states which were not listed in Item 8 of Form 1-A as jurisdictions in which securities were proposed to be offered through underwriters, dealers or salesmen.

3. A written communication sent to more than ten (10) persons was not filed with the Commission pursuant to Rule 258.

4. The issuer filed a purported final report stating that the distribution was completed at a time when the distribution was not yet completed.

III. It is ordered, Pursuant to Rule 261 of the general rules and regulations under the Securities Act of 1933, as amended, that the exemption under Regulation A be, and hereby is, temporarily suspended.

Notice is hereby given that any person having any interest in the matter may file with the Secretary of the Commission a written request for hearing within thirty days after the entry of this order; that within twenty days after receipt of such request the Commission will, or at any time upon its own motion may, set the matter down for hearing at a place to be designated by the Commission, for the purpose of determining whether this order of suspension should be vacated or made permanent, without prejudice, however, to the consideration and presentation of additional matters at the hearing; and that notice of the time and place for any hearing will promptly be given by the Commission. If no hearing is requested and none is ordered by the Commission, this order shall become

permanent on the thirtieth day after its entry and shall remain in effect unless or until it is modified or vacated by the Commission.

[SEAL]

ORVAL L. DuBOIS,
Secretary.

[F.R. Doc. 60-3870; Filed, Apr. 28, 1960;
8:47 a.m.]

[File No. 70-3881]

MICHIGAN WISCONSIN PIPE LINE CO.

Notice of Proposed Issuance and Sale of \$30,000,000 Principal Amount of First Mortgage Bonds at Competitive Bidding

APRIL 22, 1960.

Notice is hereby given that Michigan Wisconsin Pipe Line Company ("Michigan Wisconsin"), a non-utility subsidiary of American Natural Gas Company, a registered holding company, has filed with this Commission an application pursuant to the Public Utility Holding Company Act of 1935 ("Act"), designating section 6(b) of the Act and Rule 50 thereunder as applicable to the proposed transaction. All interested persons are referred to the application on file in the offices of the Commission which is summarized as follows:

Michigan Wisconsin proposes to issue and sell, pursuant to the competitive bidding requirements of Rule 50, \$30,000,000 principal amount of First Mortgage Pipe Line Bonds, -- percent Series Due 1980. The interest rate (which shall be a multiple of $\frac{1}{8}$ of 1 percent) and the price to be received for the bonds (which price, exclusive of accrued interest, shall be not less than 100 percent nor more than 102 $\frac{3}{4}$ percent of the principal amount) are to be determined by competitive bidding. The bonds will be issued under and secured by the company's outstanding Mortgage and Deed of Trust, dated September 1, 1948, as heretofore supplemented, and as to be further supplemented by a Tenth Supplemental Indenture to be dated June 1, 1960.

The net proceeds from the sale of the bonds will be utilized to finance, in part, Michigan Wisconsin's 1960 construction program which is estimated to cost \$74,000,000.

The fees and expenses to be incurred in connection with the proposed transaction are estimated to aggregate \$161,000 and consist of Federal issue taxes of \$33,000, fees and taxes of various states of \$24,000, printing expenses of \$33,000, company counsel fees of \$26,500, accountant's fees of \$5,000, gas consultants' fee of \$10,000, mortgage recording fees of \$8,500, Trustees fees of \$12,500, system service company costs of \$3,000 and miscellaneous expenses of \$5,500. The fee of counsel for the underwriters, which is estimated at \$11,500 is to be paid by the purchasers.

Michigan Wisconsin will file an application with the Michigan Public Service Commission for authority to issue and sell the bonds. A copy of the application and the order entered in respect thereof

are to be supplied by amendment. It is represented that no other State commission and no Federal commission, other than this Commission, has jurisdiction over the proposed transaction.

Notice is further given that any interested person may, not later than May 23, 1960, request in writing that a hearing be held on the matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law, if any, raised by said application which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D.C. At any time after said date the application, as filed or as it may be amended, may be granted as provided in Rule 23 of the rules and regulations promulgated under the Act, or the Commission may grant exemption from its rules as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate.

By the Commission.

[SEAL]

ORVAL DUBOIS,
Secretary.

[F.R. Doc. 60-3871; Filed, Apr. 28, 1960; 8:47 a.m.]

[File No. 1-3865]

SKIATRON ELECTRONICS AND TELEVISION CORP.

Order Summarily Suspending Trading

APRIL 25, 1960.

In the matter of trading on the American Stock Exchange in the common stock, par value 10 cents per share of Skiatron Electronics and Television Corporation, File No. 1-3865.

The common stock, par value 10 cents per share of Skiatron Electronics and Television Corporation, being listed and registered on the American Stock Exchange, a national securities exchange; and

The Commission being of the opinion that the public interest requires the summary suspension of trading in such security on such Exchange and that such action is necessary and appropriate for the protection of investors; and

The Commission being of the opinion further that such suspension is necessary in order to prevent fraudulent, deceptive or manipulative acts or practices, with the result that it will be unlawful under section 15(c)(2) of the Securities Exchange Act of 1934 and the Commission's Rule 15c2-2 thereunder for any broker or dealer to make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of such security, otherwise than on a national securities exchange;

It is ordered, Pursuant to section 19(a)(4) of the Securities Exchange Act of 1934 that trading in said security on the American Stock Exchange be summarily suspended in order to prevent fraudulent, deceptive, or manipulative

acts or practices, this order to be effective for a period of ten (10) days, April 26, 1960 to May 5, 1960, both dates inclusive.

By the Commission.

[SEAL]

ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 60-3872; Filed, Apr. 28, 1960; 8:47 a.m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATIONS FOR RELIEF

APRIL 26, 1960.

Protests to the granting of an application must be prepared in accordance with Rule 40 of the general rules of practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 36185: *Ground barite—Arkansas and Missouri points to Louisiana.* Filed by Southwestern Freight Bureau, Agent (No. B-7784), for interested rail carriers. Rates on ground barite (barytes), in carloads from specified points in Arkansas and Missouri to specified points in Louisiana.

Grounds for relief: Market competition.

Tariff: Supplement 30 to Southwestern Freight Bureau tariff I.C.C. 4304.

FSA No. 36186: *Flour and grains—Texas points to Texas ports.* Filed by Texas-Louisiana Freight Bureau, Agent (No. 385), for interested rail carriers. Rates on flour, wheat and sorghum grains, in carloads from CRI&P stations Texhoma, Tex., to Exit, Tex., to Texas Gulf ports (for export).

Grounds for relief: Operation through higher-rated intermediate origins.

Tariff: Supplement 40 to Texas-Louisiana Freight Bureau tariff I.C.C. 899.

FSA No. 36187: *Substituted service—C&O for Hennis Freight Lines, Inc., et al.* Filed by The Eastern Central Motor Carriers Association, Inc., Agent (No. 132), for interested carriers. Rates on property loaded in highway trailers and transported on railroad flat cars between Cincinnati, Ohio, on the one hand, and Lynchburg, Newport News and Richmond, Va., on the other, on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief: Motor-truck competition.

Tariff: The Eastern Central Motor Carriers Association, Inc., tariff MF-I.C.C. A-179.

FSA No. 36188: *Substituted service—PRR for Hayes Freight Lines, Inc., et al.* Filed by The Eastern Central Motor Carriers Association, Inc., Agent (No. 133), for interested carriers. Rates on property loaded in highway trailers and transported on railroad flat cars (1) between Baltimore, Md., on the one hand, and Chicago, East St. Louis, Ill., Indianapolis, Ind., Louisville, Ky., Detroit,

Mich., Cincinnati, Cleveland and Toledo, Ohio, on the other, and (2) Kearny, N.J., and Philadelphia, Pa., on the one hand, and Indianapolis, Ind., East St. Louis, Ill., Louisville, Ky., and Cincinnati, Ohio, on the other, on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief: Motor-truck competition.

Tariff: Eastern Central Motor Carriers Association, Inc., tariff MF-I.C.C. A-179.

FSA No. 36189: *Substituted service—PRR and NHH&H for McLean Trucking Company, et al.* Filed by The Eastern Central Motor Carriers Association, Inc., Agent (No. 134), for interested carriers. Rates on property loaded in highway trailers and transported on railroad flat cars between East St. Louis, Ill., Indianapolis, Ind., Louisville, Ky., and Cincinnati, Ohio, on the one hand, and Hartford, Conn., Boston, Springfield and Worcester, Mass., and Providence, R.I., on the other, on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief: Motor-truck competition.

Tariff: Eastern Central Motor Carriers Association, Inc., tariff MF-I.C.C. A-179.

FSA No. 36190: *Substituted service—PRR for Interstate Motor Freight System.* Filed by The Eastern Central Motor Carriers Association, Inc., Agent (No. 135), for interested carriers. Rates on property loaded in highway trailers and transported on railroad flat cars between Columbus, Ohio, on the one hand, and Baltimore, Md., Kearny, N.J., Harrisburg and Philadelphia, Pa., on the other, on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief: Motor-truck competition.

Tariff: Eastern Central Motor Carriers Association, Inc., tariff MF-I.C.C. A-179.

FSA No. 36191: *Substituted service—PRR, D&H, B&M for Interstate Motor Freight System, et al.* Filed by The Eastern Central Motor Carriers Association, Inc., Agent (No. 137), for interested carriers. Rates on property loaded in highway trailers and transported on railroad flat cars between Columbus, Ohio, on the one hand, and East Cambridge and Worcester, Mass., on the other, on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief: Motor-truck competition.

Tariff: Eastern Central Motor Carriers Association, Inc., tariff MF-I.C.C. A-179.

FSA No. 36192: *Substituted service—PRR and NYNH&H for Interstate Motor Freight System, et al.* Filed by The Eastern Central Motor Carriers Association, Inc., Agent (No. 136), for interested carriers. Rates on property loaded in highway trailers and transported on railroad flat cars between Columbus, Ohio, on the one hand, and Boston and Worcester, Mass., on the other, on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief: Motor-truck competition.

Tariff: Eastern Central Motor Carriers Association, Inc., tariff MF-I.C.C. A-179.

FSA No. 36193: *Substituted service—MKT and MKT of Texas for Texas-Oklahoma Express, Inc., et al.* Filed by Middlewest Motor Freight Bureau, Agent (No. 235), for interested carriers. Rates on property loaded in highway trailers and transported on railroad flat cars between Kansas City, Kans., and Fort Worth, Tex., on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief: Motor-truck competition.

Tariff: Supplement 130 to Middlewest Motor Freight Bureau, tariff MF-I.C.C. 223.

FSA No. 36194: *Substituted service—M&STL and ITRR for Brady Motorfrate, Inc.* Filed by Middlewest Motor Freight Bureau, Agent (No. 236), for interested carriers. Rates on property loaded in highway trailers and transported on railroad flat cars between Minneapolis, Minn., and East St. Louis, Ill., on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief: Motor-truck competition.

Tariff: Supplement 130 to Middlewest Motor Freight Bureau, tariff MF-I.C.C. 233.

FSA No. 36195: *Substituted service—IC for Strickland Motor Freight Lines,*

Inc., and Strickland Transportation Co., Inc. Filed by Middlewest Motor Freight Bureau, Agent (No. 238), for interested carriers. Rates on property loaded in highway trailers and transported on railroad flat cars between Memphis, Tenn., and New Orleans, La., on traffic originating at or destined to points beyond such points, as described in the application.

Grounds for relief: Motor-truck competition.

Tariff: Supplement 130 to Middlewest Motor Freight Bureau, tariff MF-I.C.C. 223

By the Commission.

[SEAL]

HAROLD D. MCCOY,
Secretary.

[F.R. Doc. 60-3859; Filed, Apr. 28, 1960;
8:46 a.m.]

[No. 33316]

SOUTHERN RAILROADS

Increased Mail Pay; 1960

At a general session of the Interstate Commerce Commission, held at its office in Washington, D.C., on the 15th day of April A.D., 1960.

Upon consideration of (1) application dated December 28, 1959, filed by railroads in the Southern Region for re-examination of, and increases in the, rates and compensation for transporting the U.S. mail and for the services rendered in connection therewith; (2) reply of the Postmaster General of the U.S.

to said application and accompanying cross-application for a reduction in certain rates and compensation as applied to designated U.S. mail storage services; (3) motion of the Postmaster General dated and filed February 1, 1960 to dismiss application of the railroads in Southern Territory and reply of applicants filed February 26, 1960, to said motion for dismissal; and (4) reply of applicants to cross-application of the Postmaster General; and upon consideration of the provisions of the United States Code, title 39, sections 541 to 554 inclusive, "Railway Mail Service Pay"; and for good cause appearing,

It is ordered, That motion for dismissal be, and it is hereby, overruled; and that said application and cross-application be, and are hereby, assigned for hearing at such times and places as the Commission may hereafter direct, upon the issues raised by said pleadings;

A notice of this order will be served upon said applicants and upon the Postmaster General of the United States, and notice of this proceeding will be given to the public by depositing a copy of this order in the office of the Secretary of the Commission at Washington, D.C., and by filing a copy thereof with the Director, Office of the Federal Register, Washington, D.C.

By the Commission.

[SEAL]

HAROLD D. MCCOY,
Secretary.

[F.R. Doc. 60-3860; Filed, Apr. 28, 1960;
8:46 a.m.]

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